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GUYANA'S JAGAN SCORES BURNHAM, VENEZUELA

FL050058 Bridgetown CANA in English 0001 GMT 5 Sep 81

[Article by Reudon Eversley]

[Text] Bridgetown, Barbados, 4 Sep (CANA)--Guyana's opposition leader Dr Cheddi Jagan charged here tonight that the Guyana Government was overstating the country's present border dispute with neighboring Venezuela for domestic and international purposes. Speaking to the Caribbean News Agency (CANA), Dr Jagan acknowledged that the Venezuelans claim to 5/8's of Guyana was real but said it was not as serious and imminent a threat as the ruling People's National Congress (PNC) has been stating at home and abroad. He said that because of the government's "international isolation," it has been using the issue to win sympathy abroad as well as to divert the attention of Guyanese at home to the country's serious social and economic problems.

The Marxist People's Progressive Party (PPP) leader was passing through Barbados from Grenada on his way to London. From there, he will go on to the Soviet Union and Czechoslovakia.

"They are using the issue not to admit that the International Monetary Fund (IMF) is putting pressure on them to put pressure on the people. So they say the Venezuelans are threatening us. Therefore we ought to tighten our belts and pay more taxes," Dr Jagan said. He pointed out that the PNC was also using Venezuela as a scapegoat for its failure to get the massive Mazaruni hydroelectric project on stream, by saying that Venezuela has been going around and blocking the necessary loans.

The Venezuelans too, the opposition leader continued, were using the issue for their purposes. He noted that the ruling party in Venezuela, COPEI, was unpopular and was using the issue for political gain. "There is a threat from the Venezuelan point of view for two reasons: They have been calling for joint development (of the disputed area) for a long time. So far, the government has rejected that. Secondly, the ruling party in Venezuela is weak and is facing elections," Dr Jagan said.

The former Guyana premier said that standard of living of Guyanese was on the decline with salaries not keeping pace with the cost of living. He said unemployment was running at about 30 percent, though among the youth it was as high as between 40 or 50 percent. "The working people are in a desperate plight where they have to beg, borrow, steal or just don't eat enough food," Jagan stated. He pointed out that as a result of the economic hardships, crime has risen in Guyana.

CSO: 3025/1029

BRIEFS

NICARAGUAN SEEKS ASYLUM FROM VENEZUELA--Venezuela Foreign Minister Jose Alberto Zambrano Velasco today confirmed that a top Nicaraguan official and former combatant of the FSLN Southern Front, has sought asylum at our embassy in Nicaragua. [Begin recording] [Zambrano Velasco] It is true. A top Nicaraguan administrative official and former combatant of the FSLN Southern Front in the struggle against the Somozist dictatorship who asked [name indistinct] for asylum has been granted temporary asylum. [Question] When is he coming to the country? [Answer] Of course, we have to meet all the requirements to give him asylum but he is now under temporary asylum, that is the first stage of the procedure. [words indistinct] [Question] What does the Foreign Ministry think about the Nicaraguan situation? Are there (? any chances) for a coup d'etat? [Answer] We do not state opinions [words indistinct] as this might be interpreted as an intervention. Therefore, we are very (?respectful) about nonintervention. [Passage indistinct] [End recording] [Ernesto Vega report from Miraflores Palace--live telephone relay] [Excerpt] [PA070026 Caracas Radio Rumbos Network in Spanish 2100 GMT 7 Sep 81]

CSO: 3010/1819

PRESIDENTIAL SPOKESMAN ON ARRESTED MISSIONARIES

PY101925 Paris AFP in Spanish 0214 GMT 9 Sep 81

[Text] Brasilia, 8 Sep (AFP)--Carlos Atila, the presidential spokesman, today here said that "only a proper investigation will allow us to know whether the two French missionaries who have been arrested in Araguaia, northern Brazil, have indeed incited squatters to ambush government officials."

Fathers Aristide Camio and Francois Gouriou are charged with having incited the peasants to set up an ambush, the spokesman added and pointed out that "there is no proof of this and only an appropriate investigation will establish whether the charge is true."

The French missionaries have been held incommunicado since their arrest on 31 August in Sao Geraldo do Araguaia, Para State. French diplomats visited the detainees last Saturday to check upon their imprisonment conditions and reported that the missionaries are not complaining of mistreatment.

Atila emphasized the difference between the church as a whole and certain radicals within it, whose attitude is criticized by the church leadership.

"Social-minded ideas are perfectly compatible with those of the government" Atila said and expressed the concern which the government feels over the land-ownership conflicts which are taking place in Brazil. He explained that the government tries to peacefully resolve these problems giving land to squatters and enforcing the right to private property which is provided for in the Brazilian constitution.

It has been pointed out that Brazilian law acknowledges the right of squatters to occupy land which is not valuable to its rightful owners.

CSO: 3010/1811

PCB LEADERS ACCEPT FIGUEIREDO'S OFFER OF COOPERATION

PY090150 Rio de Janeiro JORNAL DO BRASIL in Portuguese 3 Sep 81 p 2

[Text] Sao Paulo--On publishing the resolution approved by the National Board on Friday, Givaldo Siqueira, member of the National Board of Communist Leaders--made up of members of the Brazilian Communist Party [PCB] Central Committee, stated yesterday that "for the communists it is not a good policy to reject the hands which President Figueiredo on repeated occasions had extended to the opposition."

The resolution recommends that the workers, businessmen, political parties and other organizations and institutions not reject the proposal of a national agreement made by President Figueiredo. Yesterday, for the first time since the reorganization following the dismissal of Luiz Carlos Prestes from the PCB Secretariat General in July 1980, the National Board of Communist Leaders released to the press the issues discussed in one of their meetings.

In their resolution, the communist leaders state that "in view of the repeated proposals presented by Figueiredo and by high-ranking military officers, the communist leaders do not believe that the best attitude would be that of a hasty rejection. The document also includes criticism of the "radical sector of the Catholic Church."

The resolution was prepared during a meeting held last Friday in Sao Paulo, with the participation of 14 of the 26 members of the National Board of Communist Leaders. Before its publication, the resolution had been approved by all members of the PCB Central Committee, including by those who are abroad, such as Armenio Guedes who is in Paris, and PCB Secretary General Giocondo Dias who is in Moscow.

On recommending against rejection of President Figueiredo's proposal, the communist leaders state that the political-institutional solution to the socioeconomic crisis lies on the democratization of the country's life. They add: "For this very reason, the communists propose to the workers, to businessmen affected by the political and socioeconomic situation, to political parties, to organizations and institutions that are engaged in the struggle for public freedom, a discussion of a political agreement designed to prevent the aggravation of recession, to pull the country out of the economic crisis and to guarantee and expand the exercise of democratic freedoms."

The communist leaders also warn that "the national problems require a prolonged consensus which cannot exclude the armed forces, in order to find favorable solutions to democracy and to development."

In the document, the communists indicate that at the meeting held on Friday they discussed the international political situation, the Brazilian crisis, the resignation of Golbery de Couto e Silva, the results on CONCLAT--the first national conference of working classes.

On discussing the international situation, the communists praise the Brazilian foreign policy and state that "the military build-up orchestrated by U.S. imperialism aims at reestablishing 'cold war,' at blackmailing the dependent countries and at intensifying the systematic provocations to socialist countries, especially the Soviet Union."

The resolution of the communist leaders also discusses the Brazilian crisis and the resignation of Golbery de Couto e Silva, former chief of the civil household. According to them, the former civil household chief wanted the political opening policy to be conducted with the participation of civilians, and therefore he clashed with the group that defends the maintenance of the protection of the regime by the military. Golbery de Couto e Silva represented in the government a faction that supports a trend of not alternating the political forces in the central government, but sought a more important role for politicians and congress, under the command of a 'government palace group' as a form and means of conducting the opening process."

With this objective--the resolution adds--the armed forces ought to have more discretion, to preserve its unity and the intervention possibilities. This position had clashed with sectors of the regime opposed to the opening policy, and with those who, although favorable to the self-reform project, do not want to give up the initiative and the command of the project, and do not accept a mere background role for the high military command, fourth in power, but only that of the main actor, a role which must belong to the government and the forces which support it.

In another passage of the resolution, the communists feel that "the solution to the crisis (the resignation of the former civil household chief) has indicated that the army high command maintains its hegemony within the regime."

On discussing CONCLAT, the communist leaders feel that the policy they defend regarding the union sector has been successful in achieving "unity and diversity," and that this success is reflected in the formation of the national commission of CUT--the Single Workers Federation.

The resolution states that "several ultra-leftist organizations sheltered within the PT [Workers Party] and a radical sector of the Catholic Church have been defeated at the CONCLAT. It also praises Lula [Luis Inacio da Silva] with these remarks: "The PT faction led by Lula has been highly sensitive throughout the debates, to the arguments of the most united leaderships and ended up marching side by side with the policy of unity and diversity."

CSO: 3001/245

ENVOY TO UN CRITICIZES U.S. POSITION TOWARD NAMIBIA

PY102213 Rio de Janeiro 0 GLOBO in Portuguese 9 Sep 81 p 14

[Text] Brazilian Ambassador to the United Nations Sergio Correa da Costa warned yesterday that time is running out to prevent the "serious threat" posed to the structure of international relations by the situation in southern Africa from materializing, and criticized the United States for "immobilizing" with its veto power the UN Security Council so that it cannot condemn the South African intervention in Angola.

Speaking to the UN General Assembly, which has been meeting in emergency session since 3 September to adopt new measures in favor of Namibia's independence, the Brazilian diplomat expressed skepticism at the U.S. promise to initiate negotiations with South Africa for the independence of that territory.

Ambassador Costa said: "The problem at this time is not to establish whether we are in favor or against a negotiation process, because we must first know if there is any possibility of conducting positive talks." He then voiced the Brazilian Government's conviction that South Africa has no interest in a prompt solution of the question.

The Brazilian ambassador asked: "Who can continue to hope that South Africa is willing to negotiate in a responsible manner, after tiresome demonstrations that there is no interest in putting an end to its dominion over the Namibian territory?"

Costa affirmed that "South Africa does not want to admit the possibility that Namibia may one day be independent under a government not appointed by South Africa," and then blamed the Pretoria regime for the failure of the Geneva talks in January 1981 which were intended to implement UN Security Council resolution 435 whereby Namibia would be granted independence through UN-supervised elections.

Stressing his government's position that Pretoria should be sanctioned, the Brazilian ambassador asked these questions of the General Assembly: Is there any expedient left to the international community other than sanctioning? Is there any prospect for a future free of disorder and chaos if opposition to prudent actions and peaceful negotiations is not removed?

CSO: 3001/245

MARIO SOARES SUPPORTS DEMOCRATIC PROCESSES IN LATIN AMERICA

PY091844 Rio de Janeiro JORNAL DO BRASIL in Portuguese 8 Sep 81 p 2

[Excerpts] Sao Paulo--In the first interview granted during his present visit to Brazil, Mario Soares, secretary general of the Portuguese Socialist Party (PS) and former Portuguese prime minister, said yesterday that "Brazil must continue with its political opening process since the present social contradictions that it is experiencing can only be overcome through democratic coexistence." He also noted that "it is inherent to Brazilian nature to find a peaceful solution to this situation."

The former leader of the Portuguese Government expressed his concern over the "still undefined" foreign policy of the new U.S. administration, noting that: "I believe President Ronald Reagan should continue enforcing a policy in support (of democratic opening processes) in Latin America. If he does not enforce a coherent policy in defense of human rights and in support of democratic changes in Latin America, I would view developments in Latin America with concern."

After praising the position upheld by Brazil during the South African invasion of Angola--"the position upheld by the Brazilian Foreign Ministry is the correct one since it categorically condemns racism and the invasion of Angola"--Mario Soares noted that the election of the socialist Mitterrand as president of France will have an impact in all countries, "but particularly" in African and Latin American countries.

Mario Soares criticized the Democratic Alliance (AD) coalition--made up of the three Portuguese rightist parties--that assumed the Portuguese Government last week.

He noted: We do not believe that the AD is capable of solving the problems our country is experiencing. The monetary policy chosen by the new government--which is similar to those unsuccessful measures enforced in the United Kingdom by Mrs Thatcher--lead to the same results, that is workers having to carry the burden of the international crisis economic stagnation and multiple social tensions.

CSO: 3001/245

POSITIONS ON EL SALVADOR DISCUSSED

No New Position Taken

PY021902 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Sep 81 p 12

[Text] Brasilia--Itamaraty spokesman Bernardo Pericas stated yesterday that Brazil refrains from adopting any kind of position regarding the Salvadoran civil war. "The Brazilian position is of a general nature, without singling out support to any of the groups involved in the fighting."

Pericas denied that Brazil may be granting any kind of support "to this or that group." As he explained, the Brazilian position has been made quite clear in the communiquees released during the visits of the Venezuelan president and of the Honduran foreign minister to Brazil.

Though trying to avoid the subject, Pericas stated that the joint declaration issued by France and Mexico does not involve "necessarily" the nonrecognition of the government junta, or the nonrecognition of the "state of belligerence." He explained that "despite all this, Brazil is against any kind of intervention in El Salvador."

French Envoy Explains Document

PY121912 Sao Paulo FOLHA DE SAO PAULO in Portuguese 10 Sep 81 p 9

[Text] Brasilia--French Ambassador to Brazil Robert Richards met yesterday with Foreign Minister Saraiva Guerreiro to present the French Government's account of the French-Mexican declaration which considers the Salvadoran guerrillas as a "representative political force" in the context of the crisis in El Salvador. The diplomat tried to show, according to Foreign Ministry sources, that it was not the intention of Paris "to interfere in the internal affairs of another country."

The French-Mexican document was released 15 days ago. Last week nine Latin American countries, led by Colombia and Venezuela, violently condemned the French-Mexican position, saying that aside from signifying interference in the internal affairs of El Salvador, the document was promoting the recognition of guerrilla movements in other parts of the world.

Faced with the Latin American reaction, the French Government decided to instruct its ambassadors in the main capitals of Latin America to explain the motives which led France to sign the document. At no time, it was reported, has the French Government had as its objective those denounced by the nine Latin American countries.

CSO: 3001/245

TECHNOLOGY EXPORTS TO THIRD WORLD: \$15 MILLION THIS YEAR

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Aug 81 p 35

[Text] Rio de Janeiro--Brazil will sell a total of \$15 million worth of technology and services in the mining sector to African, Arab, and Latin American countries this year. After visiting several countries under the new national export plan, a group of experts from the CPRM (Mineral Resources Prospecting Company) will be in Libya today to negotiate the sale of technology for obtaining underground water and building artesian wells.

The above was announced in Rio de Janeiro yesterday by a CPRM expert. In his opinion, the most important thing is not the first contracts to be signed, but the fact that a wide market is being conquered in competition with the Germans, French, and British.

The CPRM expert explained that after tomorrow the CPRM group will be in Saudi Arabia to negotiate the transfer of technology and sale of services for extracting subsoil water. Last week in Nairobi, the Brazilian experts concluded several contracts permitting the CPRM to begin its activities abroad. A \$10-million contract was signed with Guinea for evaluating the minerals in its territory. Guinea possesses one-fourth of the world's bauxite reserves (2 billion tons).

According to the expert, Guinea's bauxite has become a captive market for the Soviets, and the country decided to have the potential of its deposits evaluated by a firm from a nation considered neutral, which Brazil is.

According to the expert, Guinean authorities, like those in many African countries, do not view Brazil as an imperialist nation. For that reason, our technology and national services are well received on the African continent, unlike those of developed countries that once played a colonizing role in that region.

The CPRM signed a \$3.5-million contract with Benin to carry on prospecting in the latter's subsoil. Negotiations are currently underway for peat exploration in Senegal and subsoil prospecting in Somalia. A \$3-million contract has been signed with Angola. It will run for 3 years and covers the exporting of technology and the training of human resources.

The expert said that Brazil has signed contracts totaling \$8 million to supply technology and provide services for the following Latin American countries: Nicaragua, Costa Rica, Paraguay, and Uruguay.

11798
CSO: 3001/240

POLITICAL RIGHTS OF CHURCH REAFFIRMED, SUPPORTED BY OPPOSITION

Church Reaffirms Political Rights

PY141748 Paris AFP in Spanish 1905 GMT 10 Sep 81

[Excerpts] Brasilia, 11 Sep (AFP)--It is obvious that the attack launched by Brazilian Government officials on a sector of the Catholic Church is prompted by the approaching elections which will be held in 1982, a crucial date in Brazil's political agenda.

The Church is standing up to defend itself against accusations to the effect that it wishes to get involved in the 1982 elections. However, it is not prepared to curb its criticisms against the government.

Thousands and thousands of grassroots Church communities (CEB) regularly meet throughout the country to discuss Brazil's political and social problems.

The members of the CEB constitute a powerful electoral force which has no connections with the political parties, which are mostly small groups of well-known figures.

Certain Church leaders have also protested the attempts of a certain political opposition party to infiltrate the Church communities.

Jarbas Passarinho, the chairman of the senate, on Wednesday severely criticized the so-called progressive sector of the Church. He accused certain parish organizations of publishing leaflets clearly opposing the pro-government Social Democratic Party (PDS) and favoring the opposition like the Brazilian Democratic Movement Party (PMDB) and especially the Workers Party (PT) headed by union leader Luis Inacio da Silva (Lula).

To prove his charges the PDS senator quoted passages from these leaflets in which the PDS was described as a party of the bourgeoisie, the owners of large land holdings and factory owners. According to the leaflet, the PT is a rank and file party created by struggling union leaders.

Passarinho stated that certain foreign or Brazilian missionaries are advocating class struggle and inciting and organizing squatters to invade privately owned land which leads to social tension especially in the Amazon area.

The National Conference of Brazilian Bishops (CNBB) has rejected the position of those who seek to restrict the mission of the Church to that of a mere disseminator of spiritual principles.

The CNBB made it very clear that it has no political-partisan ambitions or goals, but this does not mean that the Church is apolitical because in practical terms being apolitical means tacit approval for a given political power, whatever it may be.

When asked by the government to keep away from what does not concern it, the Church said that it cannot remain indifferent to the severe social and regional schisms which, in its opinion, are "an outrage against the conscience and a constant threat to domestic peace."

Opposition Parties Support Church

PY141623 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Sep 81 p 11

[Excerpt] Ulysses Guimaraes, president of the Brazilian Democratic Movement Party [PMDB] yesterday delivered a document stating the solidarity of his party with Mario Sampaio, under secretary of the National Conference of Brazilian Bishops (CNBB). On that occasion he said that the slander and harassment which the Church has been experiencing are the result "of the great independence and courage with which it has been struggling against every kind of abuse, and of its pastoral efforts aimed at correcting severe social problems." Meanwhile, Deputy Alceu Collares, leader of the PDT [Workers Democratic Party] bloc in the Chamber of Deputies also delivered a document, in which his party supports the Church, to the under secretary of the CNBB and said that "by attacking the Church in the senate and as chairman of this house, Senator Jarbas Passarinho has involved the congress as a whole."

Alceu Collares said that the attacks on the Church "seem to be part of a plan designed to divert attention from the country's economic crisis. Noting the similarities between the senator's speech and a document released by Major Curio, we have the impression that there are persons interested in creating an atmosphere of social agitation, an agitation promoted by the right." He added: "In civilized countries problems between the Church and the state are always resolved through dialogue, without attacking each other."

CSO: 3001/245

INTERVIEW WITH RECIFE ARCHBISHOP HELDER CAMARA

Sao Paulo FOLHA DE SAO PAULO in Portuguese 16 Aug 81 p 6

[Interview with Helder Camara, archbishop of Olinda and Recife, by Carlos de Oliveira in Olinda; date not specified]

[Text] Olinda--As he completes 50 years in the priesthood, the 72-year-old archbishop of Olinda and Recife, Dom Helder Camara, believes that the measures aimed at democratizing the country "will be worth nothing or very little as long as we have the ideology of national security" expressed in the LSN [National Security Law]. And he suggests to General Golberi do Couto e Silva, who is "clearly the ideologist of national security," that the latter now devote his time, using the experience he gained in the government, to "rethink" that ideology and "safe-guard what is indispensable."

Dom Helder observed: "It is obvious that each people must think of its right and even its duty to defend itself, but national security must not crush individual or group security, which are indispensable. No national security must ignore the common good; it must not crush human beings or natural groups."

In an interview with FOLHA DE SAO PAULO, Dom Helder said he has no reason to doubt the sincere desire to democratize the country, and he acknowledges the existence of a political relaxation. "But when someone has an interest in seeing a strike considered illegal, it is considered illegal in the name of national security, and the discussion is over." He also cited the case of Father Vito Miracapillo's expulsion from the country "because he was defending the rural workers."

"Politics--my God in Heaven, what is not politics?" That is the archbishop's reaction when priests and bishops are accused of political action. According to Dom Helder, the role of the bishops is "to encourage our laypeople, as far as possible, to be active politically." He explains: "We are in no way attempting to establish Christianity--to go out and set up Christian political parties or Christian unions--nor are we attempting to turn the Basic Community into a political party."

The archbishop added: "The hierarchical church, and this is the general desire, must remain more in the area of guidance as to principles and encouragement of our laypeople by stimulating them to give up the very dangerous attitude that politics are dirty."

As for the 1982 elections, Dom Helder says: "If they adopt legal tricks, and some sort of concoction is worked up for insuring that the government does not lose--if that is the concoction we are going to have--if the election is going to be cuckolded, it would be better not to spend all that money on holding an election. Brazil does not need those lies."

The archbishop warns: "The people are much more alert than they are thought to be. If the government acts well and respects the common good, and if there is no arbitrariness, no getting tied to multinationals, no bleeding of our raw materials, and a cost of living that does not become stifling, there will be nothing to fear. A good government has nothing to fear. And the opposition wins only to the extent that it also does not come up with demagogic promises."

Bishops' Role: Encourage Laypeople in Politics

FOLHA DE SAO PAULO: How do you define the role of the basic communities?

Dom Helder: The layman is also the church. There is often a temptation to believe that the church means the bishops and priests. That is the hierarchical church. The hierarchical church has its own role. Its job is to help the Church of Christ advance and also to help, very especially, our laypeople. For example, we in the National Conference of Brazilian Bishops [CNBB] were able to outline the "Christian Requirements for a Political Order" (CNBB Official Document, February 1977). It is not impossible that someday we will be able to outline the "ethical requirements for a political order." That would be for those who are not Christians, but who wish to be human beings. Now our role as far as politics goes--the role of the bishops--is to encourage as much as possible our laypeople to be active politically. We are in no way attempting to establish Christianity--to go out and set up Christian parties or Christian unions, not at all. What we are trying to do is help our laypeople have the courage to participate in the country's political life--clearly by helping them analyze programs and also analyze the conduct of people and then make their own choices. Now then, the basic communities are a Christian way of living. We are not at all trying to turn the basic communities into a political party, but we do want them to be places where the situation of the people can be examined, where major human problems can be studied, and where there will be a clear concern for the common good. After that, it will be up to each one to choose as his conscience guides him.

FOLHA DE SAO PAULO: We are approaching November 1982, when we will have elections in this country. Along with the politicians, the church too, in its own way, has launched its own campaign with elementary readers designed to guide the layman into political participation. How do you view those readers?

Dom Helder: I approve, provided that the readers help to form the political awareness of our laypeople so that they learn to examine more than party programs. But

they are very important, especially for our long-suffering people, who in some cases cannot even read--they have to listen to the radio or watch television with their "television neighbors" and sometimes hear the news programs--and they must learn to read between the lines. Many times what is said is contrary to the truth. So we try to help our people--our folks--but I do not see in the CNBB or among the bishops with whom I associate any idea of restoring established Christianity. I don't see any idea of forming Catholic or Christian political parties or any idea of pushing for a party. I feel that those readers are extremely important because they contribute to the political awareness of our laypeople.

FOLHA DE SAO PAULO: Some of those readers, such as the one in Sao Paulo, talk about the parties in symbolic language. Others, such as the one in Juazeiro (Bahia), go so far as to make a critical appraisal of the parties and put the PP [People's Party], the PDS [Social Democratic Party], the PTB [Brazilian Labor Party], and the PDT [expansion unknown] in a clearly unfavorable light in comparison with the PMDB [Brazilian Democratic Movement Party] and the PT [expansion unknown]. Is the church making an analysis of the parties? Is the church competent to do so?

Dom Helder: I don't have those readers at hand. Now, it is clear that there may be human shortcomings from time to time. The church declares itself to be both holy and sinful. So here and there, with the best intentions in the world, there may be an error--someone jumping the gun. What I consider ideal is for us to guide consciences in such a way that the layman himself will then be able, in his own conscience, to examine the programs and the men who embody those programs. But if here and there, with the best of intentions, there turns out to be a reader that goes too far--well, that is human.

FOLHA DE SAO PAULO: Concerning the attempts to manipulate the Basic Church Communities [CEB] by groups, parties, and ideologies, it is certain that the lobbying is going to become more intense as we come down to the wire. What must the church do in that case, since the CEB is defined as "essentially the church"?

Dom Helder: "Church" does not necessarily mean the hierarchical church. The layman is also the church. The hierarchical church, and this is the general desire, must remain more in the area of guidance as to principles and of encouragement of our laypeople by stimulating them to give up the very dangerous attitude that politics are dirty. Since the basic community is there with its laypeople, I don't know how long one can continue to always say that candidates or even parties that visit the basic communities are manipulating them. If the laypeople are being trained and prepared not only to judge and evaluate the programs, but also to judge and evaluate the intentions of the candidates, well then....

I remember all the times I have heard complaints about parties and candidates that visit the people only when an election is coming up. Frankly, I believe that since there is an effort to guide our laypeople and since we want our laypeople to participate actively in party politics--we ourselves are in politics much more from a concern for the common good and for protecting human rights, but we want our laypeople to learn how to participate in party life as well--why should we continue to feel that the politicians only come around at voting time, considering that sometimes they want to come and get better acquainted with reality and discuss problems with the people? Now we always feel that they necessarily come only to manipulate. Obviously, there will also be the temptation to try to obtain votes. A candidate wants to be

elected--that is natural. But I don't know if people shouldn't put some trust in the basic communities, which, if they are preparing themselves to judge programs and candidates, must be prepared for a face-to-face meeting with the candidates who show up. And even if it is the intention of some candidates to manipulate, that provides a test of how prepared the communities are to examine what is proper and to choose what seems best.

People Reject Development Only for Privileged

FOLHA DE SAO PAULO: Do you feel that the CEB is openminded toward the opposition parties but prejudiced against the government party?

Dom Helder: I feel that the problem is not properly stated in terms of being for the opposition or against the government from the very start. The issue is that that is where reality is. The people are much more alert than folks imagine. Anyone who thinks he is going to come here with personal campaigns and try to malign candidate A, B, or C, as the fashion is today.... I remember the presidential campaign in France. So, the people are much more alert than they are thought to be. The people want to know about the cost of living. The people want to know about the big human problems. What the people reject is a form of development which means primarily economic growth for privileged groups. The people want a development that is for the whole man and for all men. And let no one think that just because there are many folks who cannot read and write, they do not know how to think. I feel that if the government acts well and respects the common good, and if there is no arbitrariness, no getting tied to multinationals, no bleeding of our raw materials, and a cost of living that does not become stifling, there will be nothing to fear. A good government has nothing to fear. And the opposition wins only to the extent that it also does not come up with demagogic promises. Because the people must be alert enough to know whether the promises made can reasonably be kept.

FOLHA DE SAO PAULO: Is there at the moment any party that can reasonably be expected to keep its promises?

Dom Helder: I believe that if people were to examine only the programs--well, my God in Heaven! The programs of the former PSD [Social Democratic Party] and the UDN [National Democratic Union] were tremendous programs, but the letter of a program is not enough. We must find out what they are. And that, in great part, ought to be a matter of political publicity, provided that the notorious Falcao Law does not come back. If there really is freedom for the parties--freedom for the candidates to express themselves--then I believe that there will be room for the people themselves to choose. I am not the one who is going to say which party or which candidates to choose. Actually, I feel that our people, even without knowing how to read and write, are often capable of achieving political maturity. And they are already demonstrating political maturity. If you take any of those government programs, it is impressive how our people can analyze them right off. For example, go ask the people what they think of the BNH [National Housing Bank] program, and see whether they can't say immediately. You can even ask them about more serious problems. For example, the Law on Foreigners or the National Security Law itself. The people can analyze those things right off.

FOLHA DE SAO PAULO: In your opinion, what is the importance of holding the 1982 election?

Dom Helder: First of all, we will have to see the extent to which the election law, which is going to be debated, turns out to be a decent law. Because if they adopt legal tricks, and some sort of concoction is worked up for insuring that the government does not lose--if that is the concoction we are going to have--if the election is going to be cuckolded, it would be better not to spend all that money on holding an election. If it is going to be cuckolded, Brazil does not need those lies. If that is the case, let it be said once and for all that Brazil is not mature enough for elections--and that is a serious error and a most deplorable deception and something that can be said only by someone who fears elections. So then, I believe that if--especially--Congress is free to debate and we get a valid election law, the experience of 1982 will be worthwhile.

FOLHA DE SAO PAULO: What will the elections demonstrate for the future?

Dom Helder: Well, that will depend a great deal on the election law we get. Because what we have there are not only chemists--alchemists who know how to square accounts. We have a very clear example in the famous 'bionic' senators. That was a very interesting initial experiment in electoral chemistry. But if there is time to debate the election law, anything that smacks of electoral alchemy can be denounced. And in my opinion, anyone who sincerely wants a political opening-up must take care to see that there is a decent and honest election law, not a cuckolding.

FOLHA DE SAO PAULO: You used the expression "political opening-up." What is your opinion of Brazil's democratic opening-up?

Dom Helder: I have said several times that as long as the ideology of national security continues to assign supreme value to national security, they can open up all the doors, windows, gates, and everything else in the name of national security. Because if it is a supreme value, anything can be justified on the grounds of safeguarding that supreme value. In my opinion, that is idolatry. No human value can be absolutized. The absolute and infinite is God and no one else. Anything can be justified on the grounds of defending the supreme value. When I saw Minister Golberi resign as chief of the Civilian Household of the Presidency and watched that chorus of acclamation for Golberi, I started thinking: who knows?--maybe the minister, who is clearly an ideologist of national security, will have time and enough experience--after all, he can observe all those years from inside, from close up--to rethink national security so as to safeguard what is indispensable. Because it is obvious that every people must think about its right and even duty to defend itself, but national security must not crush individual or group security, which are indispensable.

FOLHA DE SAO PAULO: In that connection, how would you situate the political relaxation in Brazil today?

Dom Helder: I will say only this: I have no reason at all to doubt anyone's sincerity. I am not saying that efforts have not been made or that steps have not been taken, but we have specific examples. There is a political relaxation, but when someone has an interest in seeing a strike considered illegal, it is considered illegal in the name of national security and the discussion is over. I have no doubts about the fate of any newspaper that might appear to be harming national security. There is

all that relaxation, and sometimes the press goes pretty far. As long as it does not harm national security, everything is just fine. We have a specific case right here. When Father Vito was expelled, we saw that all the bishops and the entire Brazilian church were on his side, because they knew, especially from the testimony of Dom Acacio of Palmares, who was Father Vito's bishop, that the only reason he was expelled was that he was defending the rural workers. But that is what happened. Under the Law on Foreigners, a foreigner cannot engage in politics. It does not say party politics. If it said party politics, we could talk about that. But politics--God in Heaven, what is not politics? What cannot be interpreted as politics, when I feel that politics, in the broad sense of a concern for big human problems--the defense of human rights, which were established by God Himself--is not only a right but a duty of every human being, chiefly of a Christian and even more of a pastor? Well, then. When Father Vito was being expelled, one of our priests, who is a poet and who has written several of the most beautiful hymns we have, wrote a poem about Father Vito. And at that moment he was reflecting an outcry not only of the Catholic conscience but of the Brazilian conscience. And our priest was tried for an offense against national security. I offered to defend the priest, and I recalled, since I was appearing before a court for the first time, that in my opinion it was serious--extremely serious--to assign an absolute value to any human value. It is idolatry. I denounced idolatry. And throughout the church's history, incidentally, the prophets have always denounced idolatry.

Safeguards Must not Crush Human Beings

FOLHA DE SAO PAULO: A few days ago Vicente Scherer (cardinal archbishop of Porto Alegre) said that a complete return to a state of law is necessary because it is a national aspiration. What is the importance of returning to a state of law?

Dom Helder: That is like asking whether it is important for a person to be healthy. Is it important for a person to be delivered from a disease? Because democracy--genuine democracy--is health. Since the disease must be gotten rid of, it is clear that this is a matter of national interest; it is a national yearning.

FOLHA DE SAO PAULO: There is talk about the constitutional assembly. Do you consider it indispensable to call a national constitutional assembly in order to achieve a state of law?

Dom Helder: I feel that the wisest measures and the broadest and most thoroughgoing measures will be worth nothing or very little as long as we have the ideology of national security. If it continues as the supreme value, the constitutional assembly itself could be closed down in no time.

FOLHA DE SAO PAULO: What do you see as an alternative to national security?

Dom Helder: Well, I feel that that is a matter which in fact deserves debate--it deserves examination. I don't want to be an ideologist of the new national security, but I would remind you of this: first, it cannot be a supreme value. And second, there must obviously be a safeguarding of the country's right and duty to defend itself. But no national security must take precedence over the common good. It must not crush persons or natural groups. Well now, the one who knows how to do that is perhaps the ideologist of Brazilian national security himself; he now has the time and leisure and has acquired enough experience to reexamine it.

FOLHA DE SAO PAULO: Is national security the only obstacle to a political relaxation?

Dom Helder: No. I am talking about the main obstacle, which seems to me to be the major obstacle and the one that gives rise to various other obstacles.

FOLHA DE SAO PAULO: For example?

Dom Helder: I do not want to set myself up as a superexpert. That is not the mission of a bishop. Nor am I a specialist in any of those matters. I am a pastor, and I see the consequences for my people. It is in that context that I speak.

FOLHA DE SAO PAULO: How do you see the issue of unemployment?

Dom Helder: Here we have a workers organization that some time ago--when things were less serious than they are today--issued two publications that have still not been answered by SUDENE [Superintendency for Development of the Northeast]. The first was "Northeast: Development Without Justice." And later, during a public assembly, another publication was issued with the title "Northeast: Man Prohibited." Its point is that the way things are now, the situation is not human: it is subhuman. If that was the case when there were more jobs, what are we to think today, when there is mass unemployment? I feel that this situation is extremely serious and extremely urgent, and all the while we are involved in this business of opening up the country--flinging open the doors--to the multinationals. It is funny that there is so much talk about the law on foreigners. What I would like to see is a law concerning that foreigner called the multinational.

FOLHA DE SAO PAULO: Do you regard the multinational as an evil in itself?

Dom Helder: I don't say an evil in itself, but the way things look now, it comes in all full of promises and then does nothing but make our situation worse. And also, the truth is this: our situation is closely tied to a worldwide situation. The Brazilian problem cannot be solved by looking only at our own country. Fortunately, we have specialists for that purpose. And the young people see this with extraordinary shrewdness.

11798

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PIRES AFFIRMS MILITARY'S ROLE IN POLITICAL, SOCIAL AREAS

Brasilia CORREIO BRAZILIENSE in Portuguese 21 Aug 81 p 4

["Exclusive" interview with Army Minister Walter Pires de Carvalho e Albuquerque by Brazilian News Agency [EBN]: "Pires Reaffirms Security Concept"; date and place and name of interviewer not given]

[Text] Army Minister Gen Walter Pires de Carvalho e Albuquerque, in an exclusive interview granted to EBN (Brazilian News Agency), emphasized the role of the armed forces in the process of improving the regime, asserting that their constitutional mission "is to defend the nation and guarantee constituted powers, law and order.

"The Army, united, coordinated and linked in its ideas with the Navy and Air Force," said the minister, "provides the government legal and unconditional support so that it may achieve its aim, which is that of all good Brazilians: to consolidate true democracy in our land."

In the interview, General Pires calls attention to the Army's activities in the fields of national development and national security, saying that a less careful reading (of Article 91 of the constitution) "can lead to the erroneous idea that the armed forces are to limit themselves to strictly military activities.

"This conclusion is not correct," the Army minister emphasized, "when one considers that national security must include action--mainly preventive action--in all fields of national power: political, economic, psychosocial and military, which are interdependent and react with each other."

He further pointed out that the current strength of the Brazilian Army is about 180,000 men, although acknowledging that this figure, compared with the nation's continental dimensions, is relatively small.

He said that, for the present, there is no plan to increase the size of the Army, in view of the limitations imposed by the nation's current economic and financial situation.

"Today's army is much better equipped and for the most part is supplied with materiel manufactured by domestic industry, but the spirit remains the same. The dedication, the comradeship, the unity, the professional competence and allegiance to the nation of the Army's components remain immutable. Let us remember that the dissensions which arose during the pre-revolutionary period, to be expected on the part of those who were not strong-minded, who did not have firm democratic convictions or sufficient discernment to resist the Machiavellian communist propaganda, were so relatively weak as not to shake the institution's unity. After all," asserted Walter Pires, "it was the Army that made the revolution before the Revolution!"

The army minister also called attention to the festivities commemorating Soldier's Day and Army Week, stressing that "the memory of the great national figures should be exalted and revered," discoursing further about the process of democratic training in military recruitment.

At the end of the exclusive interview with the EBN, Minister Walter Pires addressed a message to Brazilians, particularly to our soldiers who are serving in the remote corners of the nation.

The Interview

The entire interview with the army minister is as follows:

Reporter: We are approaching the festivities of Soldier's Day and Army Week. In view of this, I ask Your Excellency what is the significance of Army Week for the nation's institutions and, in the broader sense, for the Brazilian people?

Minister: The date of 25 August is the birthdate of Marshall Luis Alves de Lima e Silva, the Duke of Caxias, the patron of the Brazilian Army.

We believe the memory of the famous figures of our history must be exalted and revered, not merely as a requirement of citizenship and national gratitude, but also to provide the younger generations with the edifying example of their deeds.

We also believe that the admirable life of Caxias, all of it dedicated to the highest interests of the nation, deserves to be evoked as a constant source of inspiration for all Brazilians, who will find in the incomparable figure of this great patriot the perfect example of the citizen and the soldier.

That being the case, the dignifying role of the Brazilian soldier--legitimate successor to the work of Caxias in constructing the greatness of Brazil--must be commemorated on the date that is dedicated to him, to demonstrate to the nation the worthiness of the anonymous and unheralded work of its devoted servants, misunderstood at times, in fulfilling their arduous duty.

For these reasons, 25 August, the natal day of the Duke of Caxias, is commemorated as the Day of the Soldier, in the course of Army Week, making possible ample contact

between the military and the public, as well as commemorating episodes in the full life of Luis Alves de Lima e Silva.

Reporter: The Brazilian Army is proud of the democratic training in recruitment of youth for military service. Can Your Excellency go into detail about this?

Minister: The Brazilian Army, as everyone naturally recognizes, is an institution characteristically representative of our people.

Within its ranks class distinctions are lost, social differences and inequality disappear, as everyone is made equal in the comradeship of the barracks.

The army is, so to speak, the point of convergence at which our patriotic youth from all backgrounds come together annually to render military service.

It is the nation itself, constantly renewing its permanent vigil, guarding all parts of the national territory.

This heterogeneity of backgrounds, creeds and races that are fused in the fellowship of the barracks gives the aspect of democratic training to the army, to its homogeneity of procedures, to its unity and its strength.

This is the heritage of those who wear the olive-green uniform, that of belonging to an institution that does not distinguish the rich from the poor, the black from the white, Catholics, Protestants or Spiritualists, but is proud of its origins and of its authentically popular nature.

The army is, in fact, the armed people themselves.

Reporter: What is the role of the armed forces in improving the regime?

Minister: The constitutional role of the armed forces is to defend the nation, and guarantee constituted power, law and order.

Hence, it is the duty of the army, along with the other armed forces, to guarantee to the powers of the republic the necessary conditions for improving the regime, maintaining the state of security indispensable for development and democracy.

The army, united, coordinated and linked in its ideas with the navy and air force, provides the government, in keeping with its constitutional mission, legal and unconditional support so it can achieve its aim, which is the aim of all good Brazilians: to consolidate an authentic democracy in this nation.

Meanwhile, there is another way in which the armed forces contribute to the people's civic and democratic education, essential to the institutional improvement of the nation: performing military service, to which I have just referred.

Reporter: What is the army's action in the field of national security? And in the nation's development?

Minister: The army devotedly fulfills its constitutional mission, prescribed in Article 91 of our magna carta: "The armed forces, essential to executing national

security policy, have the responsibility of defending the nation and guaranteeing the constituted powers, law and order."

A less careful reading of this legal provision can lead to the erroneous idea that the armed forces must restrict themselves to inherently military actions. This conclusion is not correct, as national security must cover actions--mainly preventive actions--in all fields of national power: political, economic, psychosocial and military, which are interdependent and react with one another.

In the military field, which, as the end-purpose, must predominate, the army guarantees the nation's defense through the presence of its units throughout the national territory as a means of effectively assuring--in the domestic sector--político-social stability, while also being a basic factor of national integration. Furthermore, a suitable operational level must be maintained so that the army is ready to fully perform its constitutional duty, at any moment and under any circumstances.

The army's contribution to national development was in supplemental activities. It seized the opportunity to enumerate the principal tasks to be carried out in the various fields.

In the educational sector, the army contributes to improving the level of scholarship through its regimental schools; it trains a large number of recruits for civilian occupations, many through an agreement with the Labor Ministry; it organizes summer camps at a great number of its posts; it provides aid to middle-level education through nine military academies located from the north to the south of the nation and to higher education through the Military Engineering Institute (IME). In regard to these academies, I should like to point out that they currently have about 8,000 students, the majority of whom will follow civilian careers upon graduation. As for the IME, this scientific and technological center of international renown graduated during the last 5 years, besides 800 military, about 1,500 civilian personnel, from both undergraduate and graduate levels.

In the field of social welfare, I point to the assistance to needy populations, particularly the civic-social action known by the acronym ACISO and the aid in event of public calamity.

In the field of transportation, our military engineers have accomplished works of large size and significant cost, in the highway sector and the railway sector as well, in addition to building dams, landing fields, water-supply systems, thousands of houses, and much more.

In cartography, I cite the survey and mapping in the Central Plateau, in the South, in the West and in the Amazon region, and the aerial photography and special surveys of border areas.

In industrialization, we are transferring military technology to the civilian sector, assigning all priority to Brazilian industry in orders for equipment and thus seeking the maximum incentive to develop the nation's civilian ordnance industry.

Finally, I could not fail to mention the highly significant social work done by our units in the most far-flung regions, breaking ground, establishing settlements and aiding, with medical, cultural and other resources, the people living near the post.

Reporter: Is the current strength of the army sufficient to meet the nation's needs or is there a plan to increase it?

Minister: Our strength is about 180,000 men. We admit that this strength, compared with the continental dimensions of the nation, the importance of its geostrategic location, the length of our borders, Brazil's role in international relations and the current population, is quite small. However, thanks to an efficient organization, it covers the whole national territory adequately and, thanks to effective planning, is able to quickly concentrate forces where necessary. The units have an appropriate operating level and the troops have great professional competence. For all these reasons, these 180,000 men are able to provide a sufficient degree of security.

At present, in view of the nation's current economic and financial situation, there are no plans for increasing the army's strength.

If needed for the nation's defense, strength can be greatly increased through the draft.

Reporter: What are the major differences between the army before the 1964 Revolution and the army today?

Minister: In material terms, I see differences. Today's army is much better equipped and, for the most part, supplied with material made by domestic manufacturers, unlike the army of those days, whose purchasing, supplies and maintenance of ordnance were almost completely dependent upon foreign sources. Our organization today has a more efficient structure, in modern administrative terms, with specialized elements and established objectives, all as a result of administration.

However, the spirit remains the same. The dedication, the comradeship, the unity, the professional competence and love of country of the army's components are immutable. Let us recall that the dissensions arising in the pre-revolution epoch, natural on the part of those who did not have a strong spirit, firm democratic convictions or sufficient discernment to resist the Machiavellian communist propaganda, were so relatively few that they did not shatter the institution's cohesion. After all, it was the army before the Revolution that made the revolution.

Today, as yesterday, unity, comradeship, discipline and respect for rank characterize the Brazilian Army.

8834
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INDUSTRIAL GROWTH DOWN 3.1 PERCENT IN FIRST 6 MONTHS

Rio de Janeiro O GLOBO in Portuguese 17 Aug 81 p 14

[Text] Brasilia--The growth rate in the Brazilian industrial sector during the first half of 1981 was down 3.1 percent in comparison with the same period last year, according to surveys conducted by the Planning Secretariat.

The sector that pulled the rate down was the processing industry, in which growth over the past 6 months was down by 3.4 percent. The result was that the country's real product for the period from June 1980 to June 1981 came to 4 percent. In the same period, the real agricultural product registered 8.8 percent, while for industry it was 2.7 percent and for the service sector 4 percent.

In 1981, the average cumulative growth in the industrial sector by month was as follows (in percentages): January: 1.8; February: 2.8; March: 0.2; April: down 0.1; May: down 1.3; and June: down 3.1. Last year the rates were: January: 6.5; February: 8.6; March: 8.6; April: 7.0; May: 6.7; and June: 7.1.

Industrial Sector

The Planning Secretariat estimates that the average cumulative growth for the industrial sector during the first half of this year was down 3.1 percent. Construction was down 5.7 percent, processing was down 3.4 percent, mineral extraction was up 1.8 percent, and public utilities were up 6.4 percent.

For the first half of last year, industrial growth was 7.1 percent, with construction up by 4.8 percent, processing up 6.9 percent, mineral extraction up 21.2 percent, and public utilities up 11.6 percent.

Only food, tobacco, clothing, and footwear showed positive industrial production in the first half of this year.

The other products, such as metallurgical products, chemicals, plastics, transportation equipment, paper and board, electrical and communications equipment, beverages, mechanical engineering, nonmetallic minerals, and textiles, showed declines for the 12 months ending in June 1981.

For the automotive industry, the first half showed a drop of 26.4 percent in the production of light trucks and utility vehicles, while auto production dropped by 24.2

percent. Production increased in the case of buses and minibuses (49 percent) and trucks (17 percent).

Public utilities were up by 6.4 percent in the first half of this year (compared to 11.6 percent in the first half of last year). The Southeast Region (up 6 percent) was the main contributor to that weak performance, since growth was above average in the other regions. In the Southeast Region, the main component of that small increase in electricity consumption was industrial use, which rose by 5 percent. The main power producing companies in the Southeast (ELETROPAULO [Sao Paulo Power Plant], the CESP [Sao Paulo Electric Company], LIGHT [Light Electric Services, Inc], and CEMIG [Minas Gerais Electric Power Plant, Inc]) showed less growth in industrial use than in overall consumption.

Electric power consumption by industries located in the metropolitan area rose by 0.8 percent in the first half of the year, compared to the same period last year. In June, the decline was 3.8 percent, while for the latest 12 months it was down by 10 percent.

According to the government survey, the slowdown in the Brazilian economy is due to the process of adjusting to the new conditions imposed by the worldwide economy following the second oil crisis. The basic tools used to restrain development are monetary and tax policies aimed at checking overall demand as well as expenditures by the government itself. Their objective is to improve the economy's external sector and reduce inflation in the midst of an international panorama of recession and high interest rates.

11798
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EDITORIAL VIEWS SIGNIFICANCE OF STATEMENTS BY MILITARY

PY101744 Sao Paulo FOLHA DE SAO PAULO in Portuguese 27 Aug 81 p 2

[Editorial: "Filling Spaces"]

[Excerpts] The newspaper pages devoted to political news have in recent weeks been filled with statements by military chiefs. The importance of such statements and attention focused on them by the press and public opinion are not simply due to their content but, to a large degree, to the fact that the barracks' usual discretion is being replaced by statements obviously intended to make an impact on public opinion.

The political tone of declarations by several army generals should not be surprising, including those by Army Minister Gen Walter Pires, and particularly the one by Navy Minister Adm Maximiano da Fonseca on soldier's day. The differences in shade and at times even the frank divergence in views should not be surprising either. And it should not because, although the armed forces are united and in unison on the question of principle--as was emphasized in all statements--the speeches could not but express differences on strictly political questions.

In this regard, the speech made by Maximiano da Fonseca pointedly said that "the struggle for the conquest of power by different factions is in reality the history of nations." For that very reason, the appropriate space for politics--ruling out violence as the minister quite correctly stressed--encompasses necessarily differences in conceptions and interests, precisely because it is to contain the struggle for power. Struggles, by the way, are also present in closed regimes and even in regimes with a strong identification in ideology and long-term interests--as has been the case with the factions which have come to power since 1964.

Thus the latest pronouncements by the army minister and the navy minister--who, it is worth noting, also spoke on behalf of the air force--seem to have political lessons of highest importance. The first lesson is that the armed forces' unity and cohesiveness are unquestionable from the constitutional standpoint and as a matter of principle, and stand above the political interests of factions. Admiral Fonseca made this lesson clear by emphasizing the cohesiveness of the armed forces in the nation's historic struggles. He praised "the strong unity of Brazil's militarymen as the best touchstone of the very unity of the nation." Just as clear were the references made by Gen Walter Pires to "the identity of sentiments

and ideals of colleagues in uniform who share equal responsibility, bear similar concerns and pursue the same objectives."

The second lesson is also clearly stated in the navy minister's soldier's day speech when he said that the divergence of opinions is proportional to the relevance of the issues in the context of a transition toward democracy. By the way, it can also be said that the expression of divergence is also permitted by the greater margin of action available to different factions not only to struggle for power but also to struggle for more freedom or greater protection for their interests.

CSO: 3001/245

GOVERNMENT POLICY ON UNEMPLOYMENT EXAMINED

PY050248 Rio de Janeiro BRAZIL HERALD in English 4 Sep 81 p 2

["Employment Situation": Summary of editorial from Sao Paulo O ESTADO DE SAO PAULO of 1 Sep]

[Text] Although the reliability of unemployment statistics--giving widely divergent figures--is questionable, no doubt can exist any more about the fact that the problem becomes now highly disquieting. With welfare subsidies and guarantee fund, a jobless worker can sustain himself and his family during no more than 3 months. From the fourth month onward, he will depend on private charity or have recourse to actions of despair, generally criminal activities. The unemployment problem affects many countries currently but Brazil evidently has failed to prepare itself for this contingency.

In highly industrialized countries, unemployment insurance and indemnities for dismissal are easing the problem. It is evident that Brazil at the present moment cannot think of introducing such systems. Anyway, it is more advisable to channel resources toward creation of employment opportunities than to spend money on labor indemnities. Should money be available, it should be used for public investments.

Should the present level of unemployment persist or grow further, the government may have to institute new forms of taxation. But this would be a last expedient at this time of efforts to put the public finances in order. Any decisions will depend on whether unemployment is only temporary or structural and therefore not likely to disappear quickly. It seems, however, that both reasons work together. In some sectors, activities may increase very soon, improving the labor situation. In some other sectors, including the automotive industries and the industries depending on them, the employment levels will not reach the former figures in the foreseeable future. This should motivate efforts to direct workers who have lost jobs to other activities.

It should not be forgotten that the present wage policy is a factor of unemployment. This policy should be revised before it causes a social drama.

The government thinks of transferring jobless workers to regions of Brazil where big projects are underway, like Carajas. This seems to be a dream without any reality. These projects will employ many workers, but in the states concerned, Maranhao for instance, where people never had many employment opportunities and should therefore be the first to benefit.

In any case, the government should have a clear notion of the preponderance of the social problems currently, which, if not tackled, may impair the process of democratization.

ELECTORAL REFORM INTENDED FOR BENEFIT OF PDS

PY071958 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Sep 81 p 3

[Summary] The government is adopting new electoral rules for the presumable benefit of the PDS [Social Democratic Party]. Some of these rules have already been defined by the executive branch and others are being suggested by congressmen who are eager to serve the government. The government will soon submit to congress rules referring to the creation of "intra-party subgroups" [sublegendas] in elections for governors; the reduction of time of residence requirement for electoral purposes; the prohibition of candidacies of those who have been sentenced or indicted under the national security law; and the creation of three new states. Other rules such as the adoption of the district vote and the optional vote should be added by government friends in congress. Next year, rules to hinder party coalitions should be enacted.

Each rule is specifically intended to help the PDS close the margin of defeat or to win elections at the various levels.

"The 'intraparty subgroups' in the elections for governors should ensure the coalescence of the PDS in various states by lumping together the votes of its different factions, namely in the states of Parana, Sao Paulo, Minas Gerais and Pernambuco where victory of the opposition was secure."

"With the reduction of residence time requirement, governors such as Paulo Maluf could become candidates for deputies or senators in the new states to be created."

"The prohibition of candidacies of even those who have been indicted under the national security law is a juridical and democratic distortion, but it will put an end to the aspirations of Luis Ignacio da Silva and any other undesirable candidates who the government wants to put out of the competition right up to election time in November 1982. This rule amounts to a death blow to the Workers' Party [PT] which will stay organized as a party only if figures such as Lula participate in the elections.

"The creation of the state of Rondonia, Roraima and Amapa will serve the government to establish candidates and to elect another nine senators (three for each new state) and another 18 deputies (six for each new state) in a victory over the opposition which should not be difficult for various reasons."

Holding the elections in two stages could simplify matters for the elector who, otherwise, would have to vote at once for mayors, vice-mayors, state deputies, governor, vice-governor, federal deputy and federal senator--including the "intra-party subgroups" which complicate the process threefold. Holding municipal elections where the PDS has a strong margin in its favor in a first stage could not only influence the elections for governors and congressmen, but also hurt the opposition in campaigning for the second stage elections.

The district vote would demoralize the parties by doing away with the so-called party vote, a vote which the party can apportion to its various candidates. The district vote will ban the transfer of excess votes from one candidate to another candidate of the same party, and it will hurt the opposition which happens to have the top vote drawers. It may also make small parties such as the PT and the Democratic Labor Party [PDT] unviable, considering that they can only grow through the party vote.

The optional vote should also benefit the PDS since in the interior voters will continue to be brought to the polling places on trucks, enticed by the promise of food, while in the large urban centers where the opposition holds the majority, many of the voters may prefer to go to the beach or stay in bed, depending on the weather on elections day.

So these rules to manipulate the electorate should be passed into law during this year. The rule banning party coalitions and other rules which may be considered necessary should be passed in the first half of 1982. The constitutional mechanism whereby a bill is automatically passed whenever congress fails to vote on it within the time allowed for its discussion should serve the government's purpose quite well.

CSO: 3001/245

POLITICAL, ECONOMIC MODEL WILL NOT BE CHANGED

PY050126 Buenos Aires TELAM in Spanish 1745 GMT 29 Aug 81

[Text] Belo Horizonte (Brazil), 29 Aug (TELAM)--Brazilian Finance Minister Ernane Galveas has warned that the political and economic model established by the Brazilian Government is untouchable.

This remark of his was disclosed today in this city as being part of an impromptu talk Galveas held last night with the journalists of Belo Horizonte, capital of Minas Gerais State.

"The possibility of turning power over is being handled by the Brazilian Government from the standpoint of a natural outcome of the process of political normalization," Galveas said. He added, however, that "any attempt at changing the current political and economic process is inadmissible."

After warning that should such an attempt take place, the reaction would be difficult to predict, he added: "For example, no one will allow an opposition party, should it take over power, to try and expel the multinationals and place the economy under state control."

He emphasized that "this would mean a severance with democratic capitalism which we view as the most appropriate social model for our country."

Gen Henrique Beckman Filho, acting commander of the II corps said in Sao Paulo that the government has yet to decide whether the presidential candidate for the 1984 elections will be a civilian or a military officer. He indicated that the nation does not belong to civilians or military men alone and that the revolutionary period required that the president be a general. However, within the current process of political relaxation any honest citizen, whether in uniform or not, could be the president if he has the necessary qualifications for it.

In a reference to recent popular demonstrations in the capital of Bahia State, General Beckman said that it is obvious "that certain events worry us, but nothing will disrupt congressional elections scheduled for the coming year."

He concluded by saying that "certain individuals take advantage of any pretext at all to disrupt order at the very moment when President Joao Figueiredo wants to reinstate democracy. Instead of cooperating, these persons are professionally advocating violence which can in turn degenerate into anarchy."

CSO: 3010/1811

AMENDMENTS TO SOCIAL SECURITY, WELFARE LAW

PY040344 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Sep 81 p 19

[Excerpt] The bill sent by President Figueiredo to congress proposes six amendments to the urban social security and welfare laws No 3807 of 26 August 1960 and No 6205 of 29 April 1975. The first one instituted the service of social security and welfare, and the second one exempted salary contributions for retirement on minimum salary, and created the reference salary as half the value of the highest minimum salary in force in the country.

The main two amendments which are to be passed by congress and which will immediately boost the finances of the social security and welfare program are these: eliminating the 110 percent of the NCPI [National Consumer Price Index] paid to retirees on up to three times the minimum salary; and raising the ceiling of salaries subject to social security and welfare contribution from 15.5 to 20 times the minimum salary, doing away with the reference salary.

By stipulating that the factor for readjustment of maintenance benefits paid by the INPS [National Social Security Institute] will be the NCPI current during the month new minimum salaries go into effect, the Social Security and Welfare Service [SSWS] will no longer have to pay every 6 months for readjustment of the minimum salary plus 110 percent of the NCPI to the 6 million retirees who collect up to three times the minimum salary and who did not make any contribution, thus saving more than 37 billion next year.

With the higher ceiling for salaries subject to contributions from 15.5 to 20 times the current minimum salary (133,540 to 169,296 cruzeiros), the SSWS will have receipts of 75 billion cruzeiros in 1982.

The bill's article number 2 provides for collecting contributions on retirees who accept paying jobs and for suspension of pension payments.

The resources of the Social Assistance and Welfare Fund [FPAS] will no longer be apportioned by ministerial resolution, but by presidential decree.

A Consultation Council for Health Assistance Administration [CONASP] will be created. The CONASP will have full management of medical assistance.

[Editor's note: Sao Paulo FOLHA DE SAO PAULO in Portuguese on 3 September, page 1, states that "the real 'hole' in the social security and welfare program would be 17 billion cruzeiros, as previously reported by FOLHA, not 150 or 200 billion as it has been announced by some government sources. This has been confirmed by the fact that the measures now taken by the government will add no more than 80 billion cruzeiros to the program's till in 1982."]

CSO: 3001/245

COMMUNISTS OPEN CAMPAIGN TO LEGALIZE PCB, ISSUE DOCUMENT

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Aug 81 p 4

[Text] Formally established yesterday in the press room at the Legislative Assembly, the Sao Paulo Committee for the Legality of the Brazilian Communist Party [PCB] issued a document proposing solutions to the Brazilian crisis, which it considers "the most serious in the history" of this country. After proposing the struggle for democracy as an alternative to recession, the committee suggested the launching "immediately of the campaign and candidates of the democratic parties and the building of the indispensable unity for defeating the enemies of freedom, employment, and bread for the Brazilians."

The committee to legalize the PCB is made up of David Capistrano Filho, Irineu Luiz Moraes, Joao Guilherme Vargas Neto, Jose Carlos do Carmo, Jose Ferreira da Silva (Frei Chico), Marco Aurelio Nogueira, Marcos Andreotti, Marco Moro, Sebastiao Francisco, and Ubiratan de Paula Santos. Its launching was lent prestige by the presence of deputies from the PMDB [Brazilian Democratic Movement Party] and the PT [expansion unknown].

Former union leader Luis Tenorio de Lima attended the launching of the committee and said that if necessary, his members will go to Brasilia "to request personally of the president of the republic that the PCB be legalized, since anyone who wants to lead the country to democratic normalcy cannot discriminate among political movements." And David Capistrano emphasized that while the government does not recognize the party's existence, the military court has issued a notice calling on communists or CP leaders to collect a high sum of dollars which it says belongs to the party. Capistrano protested: "That proves that there is blatant inconsistency. Instead of money, what the Communists are demanding, at the least, are the bodies of comrades who died beginning in 1964."

"Democracy Without Adjectives"

During the interview in the Legislative Assembly, the members of the committee emphasized: "We are radically in favor of democracy, without concessions and without adjectives. We are certain that it is only within the democratic context that we will be able to overcome the country's serious problems."

They continued: "Precisely because of that, we defend party pluralism and the free expression of ideas and concepts. In that context, we regard as unjustifiable the action taken decades ago to prohibit the Communists from organizing as a political

party. The discrimination against the PCB--the only one of Brazil's parties to remain permanently alive and active since the Old Republic--represents an anachronism that is incompatible with our modern society."

Document

In the document distributed during the interview (.....led "Time for Initiative and Clearheadedness"), the committee members analyze the current moment in Brazilian politics. The manifesto emphasizes: "The bombs and the result of the IPM [Police-Military Inquiry] in downtown Rio de Janeiro affronted the nation. At first, the consequences of the episode were underestimated, and the democratic camp turned to the 1982 elections as an exceptional opportunity to express the country's indignation. But the departure of General Golbery ripped away the veil concealing reality and laid bare the extremely serious crisis in which we find ourselves."

After emphasizing that "the tactics designed to cover up terrorism are occurring at a time when the economic crisis is worsening," the committee for legalization of the PCB proposes the following: "A public investment policy aimed at reviving the economy and generating jobs; renegotiation of the foreign debt; a new energy and transportation policy that will include a freeze on the nuclear program and give priority to railroads and waterways; stimulation of the production of essential items; continuation of the 6-month wage adjustments; establishment of unemployment pay; and a resolution of the crisis in the INPS [National Social Security Institute] without increasing contributions and with a continuation of the length-of-service retirement."

The committee members also stressed that "the alternative to recession is inseparable from the struggle for democracy," and they warned: "We must avoid despair. Giving in to the temptation to engage in isolated, extremist, and reckless acts amounts to putting rocks in our own shoes. It is a time for optimism and for a willingness to join the united struggle against recession and the threat of political retrogression."

11798
CSO: 3001/240

INNOVATIVE MACHINEGUN INTRODUCED; IMBEL FORMS EXPORT FIRM

Machinegun Could Revolutionize Market

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Aug 81 p 34

[Text] Rio de Janeiro--The international ordnance market is likely to feel an impact in the next few months from introduction of the Brazilian Uirapuru 7.62-NATO-caliber machinegun developed with domestic technology by army engineers and the technical staff of Mekanika Industria e Comercio Ltd of Rio de Janeiro.

The new machinegun, which will be mass-produced by the end of the year, is intended to revolutionize the light-weapon market with a number of innovations: sturdiness of tripod, ease of maintenance and precision of long-range firing. Supply contracts for nations of Africa and the Middle East are already being studied by the National Security Council and the Foreign Affairs Ministry, the agencies responsible for the National Exporting Policy for Military-Use Materiel (PNEMEM).

The Maria Bonita--as it was initially christened--should soon become an important item on our list of exports. Various specialized foreign publications have requested information from the Army Ministry about its main characteristics. Even China displayed an interest in obtaining details about its operation.

"The concept of the projected Uirapuru puts it in a privileged position compared with its American- and European-made counterparts, which require great technical mastery of the equipment and highly sophisticated maintenance. Relatively light (13 kilograms) and of versatile use, the Uirapuru became a sort of Fusca of the universal machineguns, so easy is it to handle and maintain," explains economist Eduardo Guinle, one of the directors of Mekanika.

The Uirapuru, due to its characteristics, dispenses with lengthy training and permits the user to become familiar with the weapon quickly. Its basic use is as an infantry-support weapon in the bipod and tripod version, but its versatility lets it be used coaxially in combat cars, reconnaissance vehicles, helicopters, aircraft and small vessels. In the tests of performance and durability under adverse conditions made at the army proving grounds in Restinga de Marambaia, Rio de Janeiro, the Uirapuru was outstanding for its exceptional stability and the precision of its long-range fire (about 1,000 meters) with Brazilian-made ammunition.

"But its major advantage is its sturdiness, together with the simplicity of handling and maintenance, which even dispenses with use of special tools to disassemble the

weapon. Unlike its counterparts, the Uirapuru has 65 percent less parts than any American or European equivalent, which require, for example, special calibers to regulate "head space." Another advantage is provided by the change of barrels, one of the most rapid in the world, that can be accomplished in a little more than 3 seconds. This factor is very important under combat conditions," remarked designer Olympio Vieira de Melo, Mekanika partner, considered by experts to be one of the nation's leading authorities on light-armament materiel.

Technology for the Uirapuru is completely mastered by Brazilians and its patents are the property of the Army Technical Center (CTEX) and the company responsible for its manufacture. The first project of this type of machinegun was developed by the Army Research and Development Institute beginning in 1968 and transferred 4 years later to Mekanika, which completed its studies in 1979, when the first prototype was constructed under the supervision of CTEX.

"The Uirapuru uses 7.62 mm x 51 caliber ammunition (NATO standard), is gas-operated and is fed by attached or disposable cartridge belts. Its rate of fire is 650 to 700 bullets per minute, which develop a velocity of 850 meters per second. Assembly and disassembly of the weapon is very easy, requiring only one tool, which is a great advantage for the equipment, compared with the competing Mag (Belgium), M-60 (United States), MG-56 and HK (FRG), which are very sophisticated machineguns. The Uirapuru is the only universal machinegun made anywhere in Latin America, which should put Brazil in an exceptional position in the export market, besides making the nation independent in regard to this type of weapon, which is now being imported," economist Arnaldo Guinle added.

Mekanika Industria e Comercio Ltd turned to research and development of light arms in 1975, when it began working on the design for a submachinegun, the 9-mm Uru Luger, a pioneering initiative that was characterized by a multiple-head production line that could manufacture 3,000 weapons at once. An extremely simple concept, the Uru has only 17 parts, including the butt and the clip, and can be disassembled by hand in 6 to 8 minutes, which does not happen with the competing HK (FRG), Uzi (Israel) and Bereta (manufactured in Brazil with Italian technology). It has been manufactured on a mass-production basis for the army, navy, air force, military police and security agencies for 1 year.

"It is one of the weapons now used the most in the Pantanal region in Mato Grosso, where climatic conditions are more adverse. There, the dust, the humidity, the mud mar the performance of more sophisticated weapons that require constant attention to maintenance, which has not been the case with the Uru, which does not require oil and grease for maintenance and lubrication," Arnaldo Guinle pointed out.

Mekanika, in order to gain the confidence of the international market, sent several units of the Uru submachinegun to be tested in the United States, Belgium and Great Britain. The results were so good that some European industries wanted to become partners of Mekanika in Brazil in order to produce this weapon on a large scale. But the position of the Brazilian government was to preserve the integrity of the undertaking, developed with domestic technology, promising to assist the company to expand without the need to enter into partnership with foreign firms.

The Uru has a firing rate of 780 bullets per minute and at a distance of 25 meters penetrates pine wood 110.4 meters [as published]. Tests made on carbon-steel sheets

1/16-inch thick showed perforations at a distance of 50 meters. But one of its most appreciated advantages is the silencer developed by Mekanika, which uses conventional ammunition and has a low noise level. The capacity of its double-track cartridge clips is 30 rounds each.

IMBEL Forms Export Firm

Rio de Janeiro JORNAL DO BRASIL in Portuguese 21 Aug 81 p 13

[Text] Brasilia--IMBEL (Ordnance Industry) is creating the Foreign Trade Company CODECE), which is to operate in the international market with priority for ordnance materiel. The Mayrink Veiga and Paembra companies, specialists in marketing this materiel, are partners of the state enterprise.

This information is contained in a report published by the Army Mass Media Center as a part of the Army Week commemorations. It was also announced that IMBEL has become associated with two companies specializing in producing materiel for military use: DF Vasconcellos (manufacturer of high-precision optical goods and machinery) and Xtai (manufacturers of oscillating crystals for receivers and transmitters).

Billing

The financial report of Ordnace Industry of Brazil, created in 1976, attached to the Army Ministry, reported that in 1980 it had billings of 2,410,600,000 cruzeiros, exporting the equivalent of 931,472,000 cruzeiros. From an initial capital of 1,720,607,000 in December 1980 [sic; 1976?], the net worth of the company became 3,062,457,000 cruzeiros, generating, according to the report, about 2,500 jobs.

The Army Mass Media Center announced that IMBEL has been following the policy of domestic manufacture of ordnance materiel. It resorts to foreign sources of financing only when necessary, although always keeping up with changes in the technological process of more advanced countries. IMBEL has been expanding and modernizing its production capacity, carrying out projects for nitrocellulose in the Presidente Vargas factory (a project for the acid system and a project for industrial water), besides research and development projects for upgrading and diversifying its products, especially the artillery ammunition that is most used by the army: 40.105 and 155 mm shot.

8834
CSO: 3001/242

TIGHT CREDIT MAY REDUCE PARANA FARM OUTPUT

Rio de Janeiro JORNAL DO BRASIL in Portuguese 23 Aug 81 p 30

[Text] Curitiba--Jucundino Furtado, president of the BANESTADO conglomerate, said that a drop in Parana farm production could occur as a result of the new restrictive measures on operating loans for large producers. "After the frost and the drought, the producers were taken by surprise by the new measures and are apprehensive right on the eve of planting the state's third large crop," he asserted.

BANESTADO relented this year over 7 billion cruzeiros in loans to small and mini-producers, exceeding by over 1 billion cruzeiros the 25 percent of demand deposits required by the Central Bank. There are no forecasts about how much the bank is to apply by the end of the year. According to the bank's president, the large producers who reinvested the funds obtained from marketing their crops will have trouble getting loans from private banks, as they are already mortgaged to the Bank of Brazil.

Inflation and Investment

In the opinion of the BANESTADO president, no one would hold money with the high rates of inflation in hope of a change in the rules of the game. According to Mr Jucundino Furtado, the most important thing now is that there not be a shortage of money at the time of planting.

"If the farmer invested to increase his area and expand the agricultural frontier, he will have to have a loan for planting. I hope the rules will not be so rigid this year so the farmer can be aware that he must retain funds for planting."

He thinks that demand for agricultural credit could even diminish starting this year, on the assumption that the farmers decide the interest rate (45 percent a year) does not make the crop profitable. The president of the Farm Workers Federation of the State of Parana (FETAEP), Agustinho Bukowski, agrees with the assumption, because the cooperatives of the regions where small and mini-producers predominate are showing a smaller demand for subsidized credit this year.

"When credit was subsidized at rates of 19 percent a year, the small and mini-producers did not have access to it. Now they feel that the cost of production is increasing very much due to the interest rates and they prefer to run the risk of planting less and not applying fertilizers," said Mr Agustinho.

Haley Santo Pisato, president of the Francisco Beltrao Rural Cooperative--in a bean-producing region--believes at least 50 percent of his 1,000 affiliates will not resort to bank credit this year. According to him, the Bank of Brazil links the granting of loans to use of fertilizer, prices for which are beyond the reach of his region's producers.

Alceu Porres, acting superintendent of the Bank of Brazil in Parana, explained that the requirement for applying fertilizer in granting credit is not a rule of the bank, but a "requirement of technique," because a producer who does not apply fertilizer will not have a satisfactory response in terms of production.

He does not expect less demand for credit by small and mini-producers, because there is the guarantee of minimum prices, which cover costs of production. So far, the Bank of Brazil agencies are continuing to receive the same number of farm-credit applications as in previous years.

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CSO: 3001/242

BRIEFS

BANK AGREEMENT WITH COLOMBIA--Brasilia--The Colombian and Brazilian Central Banks have signed an agreement for the granting of reciprocal credits for \$40 million aimed at covering trade between the two countries. The banks pay their country exporters up to that limit and at the end of every 4-month period they make an adjustment of accounts. The previous agreement only provided a limit of reciprocal credits up to \$7 million. "That amount has been considered insufficient, however, to meet the amount of trade between the two countries which reached approximately \$200 million every year," Rafael Gama Duijano, president of the Colombian Central Bank, stated. According to Gama, Colombian President Turbay Ayala has expressed to the Brazilian Government the desire to participate more intensively with trade at the free port of Manaus, purchasing Brazilian products and selling some of the products from his country. The president of the Colombian Central Bank has expressed support for the idea of turning his office in Bogota into an agency. He stated: "We do have restrictions on foreign banks, but they are not applicable to the Bank of Brazil and of other countries where the interest for regional integration prevails. The Banco Real has branches in four Colombian cities, and similar to the Bank of Brazil, it is very active in its operations." [Text] [PY071737 Rio de Janeiro JORNAL DO BRASIL in Portuguese 3 Sep 81 p 18]

ITAMARATY REACTION TO REAGAN'S REMARKS--Itamaraty stated yesterday that it will not comment on President Ronald Reagan's remarks that he will "certainly" not resort to Brazil to solve U.S. economic-financial problems. Reagan made this remark during a press conference when a reporter asked him how he intends to reconcile the general reduction of expenditures with growing expenditures in the area of armaments. Some U.S. newspapers, including the New York TIMES, had stated that they do not exactly know what Reagan wanted to say when he stated that he will certainly not resort to Brazil in case of economic-financial difficulties. [Text] [PY021925 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Sep 81 p 7]

MOZAMBIQUE'S FOREIGN MINISTER TO VISIT--Mozambique's Foreign Minister Joaquin Alberto Chissano should visit Brazil sometime between 13 and 30 September to reciprocate Foreign Minister Saraiva Guerreiro's visit to his country last year. This visit will provide an occasion for exchanging ideas on issues of international politics and for promoting trade relations. Brazil's balance of trade with Mozambique has been favorable for our country since 1976. In this year's first quarter, the trade balance favored Brazil by \$10.99 million. [Text] [PY050139 Brasilia Domestic Service in Portuguese 2200 GMT 4 Sep 81]

ARNS' APPEAL FOR PARAGUAYAN'S RELEASE--Sao Paulo, 3 Sep (LATIN-REUTER)--Brazilian Archbishop Do Evaristo Arns today made a call for the release of a Paraguayan shoemaker incarcerated without trial for more than 2 and 1/2 years. Cardinal Arns, of Sao Paulo, sent a telegram to Paraguayan President Alfredo Stroessner asking him for the release of Remigio Jimenez--56 years of age--as a humane gesture. Jimenez has a Brazilian wife and lived in Brazil for 17 years, but now has been held imprisoned in Asuncion since 1978. According to a Brazilian group linked to human rights, Jimenez was captured by Brazilian police near the border in 1978 and illegally turned over to the Paraguayan security forces. Several Brazilian opposition deputies have presented the case to the government in congress. [Text] [PY080030 Buenos Aires LATIN in Spanish 1133 GMT 3 Sep 81]

MANAUS STUDENT DEMONSTRATION DISBANDED--Senator Evandro Carreira, Brazilian Democratic Mobilization Party from Amazonas State, denounced today police repression against teenagers who met at a public square in Manaus to peacefully protest bus fare increase. He criticized Amazonas Governor Jose Lindoso, saying that the deployment of policemen against the students was surprising. The students were attacked even inside a church where they had taken shelter. Senator Carreira said that the government has to adopt a more understanding attitude toward popular demonstrations which are caused by dispair, not by agitators or inciters. Senator Carreira expressed his disagreement with Jose Lins, Democratic Socialist Party, who interrupted him to say that the government had to put a stop to organized demonstrations to avoid the repetition of acts of violence like those which occurred in Salvador, Bahia. [Text] [PY040118 Brasilia Domestic Service in Portuguese 2200 GMT 3 Sep 81]

POPULAR PARTY REGISTRATION--Brasilia--The Supreme Electoral Court yesterday unanimously agreed to grant definite registration to the Popular Party (PP), since the latter has fully proven the status of its organization in 17 states, where it has established executive boards in more than one fifth of the counties. However, the PP yesterday lost a senator: Gilvan Rocha (Sergipe State) has notified the PP bloc in the senate of his withdrawal from the PP. In a letter sent to bloc leader Evelasio Vieira he explained that he is not leaving for ideological reasons, but merely because of his desire to join a broad front whose objective is to "oust the people who currently hold power in Sergipe State because they are carrying out a massacre of the people." [Excerpt] [PY141628 Sao Paulo FOLHA DE SAO PAULO in Portuguese 11 Sep 81 p 4]

PIRES SCORES COMMUNISM--After taking over as the new commander of the 2d Army yesterday, Gen Sergio de Ary Pires stated that he is willing to accept any political faction "except communism." He made this remark during a press conference which he granted at one of the offices of the general staff. He explained his dislike for communism by saying that "it goes against the very grain of my religious and professional convictions. It will never accept this political faction. We all know that the international communist movement is still hard at work. We are watching its actions closely." The general said he was prepared to answer the journalists' questions but asked them to avoid political matters, because "I have come here on a military mission and not to occupy a political post." [Excerpt] [PY141626 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Sep 81 p 5]

NEW ESG COMMANDER--Gen Alzir Benjamin Chaloub has taken the post of commander of the Superior War College [ESG]. General Chaloub has been appointed to fill this post temporarily held by Vice Adm Jose Maria do Amaral Oliveira. [PY040101
Brasilia Domestic Service in Portuguese 2200 GMT 2 Sep 81]

CEARA EARTHQUAKES INVESTIGATED--Three geologists are studying the possible causes of earthquakes which have been frequently occurring on the region outlined by the municipalities of Itapage, (Iraucuba) and Sobral in the state of Ceara. These earthquakes have been occurring over the past 15 days, and the latest took place yesterday. [Text] [PY142357 Brasilia Domestic Service in Portuguese 2200 GMT 14 Sep 81]

CONCERN OVER PROTESTS IN BAHIA--Regarding the acts of violent protests in Salvador, capital of Bahia State, Planalto Palace spokesman Carlos Atila said today that President Joao Figueiredo is always concerned about such episodes, adding that the moment calls for tranquillity to prevent undesirable events such as those in Salvador. [Text] [PY050122 Brasilia Domestic Service in Portuguese 2200 GMT 4 Sep 81] Salvador, Brazil, 3 Sep (AFP)--Antonio Carlos Magalhaes, the governor of the state of Bahia, said today that the incidents that occurred in Salvador last Wednesday in which there was one dead and 10 injured were caused by leftist agitators. In Porto Alegre, the capital of the state of Rio Grande Do Sul, chief of the National Intelligence Service Gen Octavio Medeiros said this afternoon that these incidents were organized by persons interested in causing disorders. According to the Bahia governor, members of the Brazilian Communist Party, with Maoist leaning, and of the 8 October Revolutionary Movement (MRB) are responsible for the incidents that occurred in Salvador last Wednesday evening. [Excerpt] [PY041922 Paris AFP in Spanish 0303 GMT 4 Sep 81]

LOANS TO POLAND DISCUSSED--Belo Horizonte (Brazil), 27 Aug (TELAM)--Like the United States and other nations, Brazil is interested in avoiding Poland's being turned into a country directly ruled by Soviet imperialism, Brazilian Foreign Minister Ramiro Saraiva Guerreiro said. "Concerning this, the problem of our trade relations with that country is much more complex than is thought since it concerns a question that is more political than economic," the foreign minister explained last night in statements in the city of Ouro Preto in the interior of Minas Gerais State. "Consequently, our trade with Poland is not irresponsible," Saraiva Guerreiro emphasized in response to recent statements by former Brazilian Ambassador to Warsaw Jose Meira Penna, who asserted that Brazil is running the risk of losing millions of dollars in credits which it has extended to Poland whose economy is on the verge of insolvency. Meira Penna, who has just left his assignment in the Polish capital, also claimed that Brazil, which has not become one of Poland's principal creditors, has been practicing an irresponsible policy in its trade relations with that country. [Text] [PY031810 Buenos Aires TELAM in Spanish 1345 GMT 27 Aug 81]

CSO: 3010/1811

RIGHT TO PEACEFUL DISSENT LIMITED

Santiago HOY in Spanish 26 Aug-1 Sep 81 p 5

[Editorial by Emilio Filippi: "Right to Peaceful Dissent"]

[Text] In a recent speech, the president indicated that peaceful dissent is admissible in Chile but joint actions that mean the acceptance of Marxist ideas or strategies are not.

Although we do not agree with the political restriction, we understand that we are living in a different stage of Chilean tradition and, therefore, it is necessary to face reality. It is said, with reason, that politics is the art of the possible. We are going to discuss the indicated point of view within this context.

The presidential statements tend to make a distinction between what is disagreement and what would be, let us say, sedition--in other words, a distinction between the right to be in disagreement and actions designed to destabilize the government or violently replace it.

Those of us who believe in nonviolence, who believe in the dynamics of democracy, naturally completely reject terrorism and any method of violence from any source. To aspire to live in democracy, it is necessary to believe in the ability of human beings to understand each other, to dialogue, to seek roads that can lead to a certain degree of consensus. That is one side. On the other side, it is always necessary to be alert to defend the essential values of man, his basic rights. Otherwise, it is not even possible to conceive of peace, security and justice as basic pillars of any democratic system.

Although the president of the republic clearly stated that peaceful dissent is acceptable, the lack of definition and real conditions for the free expression of this disagreement mean that the idea has been interpreted their own way by certain apologists of the regime.

The guideline used by the government to declare the right to disagree legitimate or illegitimate must be made known.

A person cannot just be accused of committing a crime and then be considered a criminal. This is especially true when a punishment is imposed administratively, especially if the punishment is the harshest that can be imposed on a citizen--exile.

Some time ago, a columnist opened fire by denouncing the formation of a so-called Broad Front that would include people from communists to those who advocate an "opening." The maneuver seemed strange enough then. It was an attempt to make it appear --in the midst of the battle between the hard and the soft--that there was a group of government followers mixed with opponents, especially with Marxist opponents, to destabilize the regime. It was a lie but it had an additional objective: if the opposition was capable of combining oil and vinegar, they argued, why isn't it possible for followers of the present government to be grouped in a civic movement?

It seemed like a convincing argument but it was based on a lie. The infamous Broad Front did not exist, does not exist nor has any prospect of existing. Furthermore, none of those exiled for that reason were or are promoters, leaders or accepters of that nonexistent combination. Consequently, the endorsement that they gave to the imprisoned union leaders only showed the natural solidarity created when this type of situation occurs. There was nothing else involved.

To show solidarity with a person considered unjustly persecuted and to do so peacefully and appropriately according to the system could not result in punishment or a label as dangerous to internal security. The ambiguity requires a clear explanation.

The fact that the tendency to discredit dissent, attributing it to Marxist origin or infiltration, is growing merits attention. The right to be in disagreement which the government recognizes is restricted in this way which makes its exercise merely illusory. That excuse can be overused and all demands can be imputed to Marxism, unduly polarizing debate. In the long run, as recent history demonstrates, that is the most dangerous game.

7717
CSO: 3010/1751

HEAD OF BEAGLE DELEGATION DISCUSSES STATUS OF MEDIATION

PY111607 Santiago Chile Domestic Service in Spanish 1100 GMT 11 Sep 81

[Text] Chile is awaiting to be notified by the Holy See to begin drawing up a treaty aimed at providing a lasting solution for the southern border conflict. This remark was made yesterday by Col Ernesto Videla, Foreign Ministry under secretary and head of Chilean delegation to the mediation process.

Videla has spent 10 days in Europe. In Geneva he met with two international legal experts who are acting as advisers to the Chilean delegation to the Vatican talks and in Rome he held three meetings with Cardinal Antonio Samore.

Videla said that his trip has had positive results and emphasized that Chile has complied with all demands posed by the mediator.

[Begin Videla recording] The pope has submitted a proposal and the Chilean Government has complied with all three demands, or, better to say, with the three requests of the holy father. One of them was to give our answer as soon as possible and we have done so. Another request was to stimulate an atmosphere helpful for the development of the mediation process and, as I have said many times, the news media understood this very well and have done their best in Chile to create this atmosphere. The final request was to keep the negotiations confidential and this has been complied with as well. [End recording]

The under secretary said that the Holy See is interested in arriving at a solution as soon as possible, and this interest is shared by Chile which has the welfare of the two countries in mind.

He stressed that current efforts are not aimed at expediting the process because the mediation has never stopped. Videla said that the holy father has made the main step of the mediation by submitting his suggestions to the parties on 12 December last year.

[Begin Videla recording] The proposal is quite complex and turning this proposal into the appropriate instruments, treaties, is a very technical problem which requires a lot of work and that is what we have been discussing with the pope. Chile has complied with his requests in full and we are now awaiting his instructions to proceed with this process. [End recording]

The head of the Chilean delegation refused to discuss the trip recently made by Argentine Foreign Minister Oscar Camilion to the Holy See and his talks with the highest Vatican authorities. He stressed that "Chile's relationship with the mediator has been straightforward and whatever the other party may do is its own concern, a sovereign action which is up to the mediator to evaluate and not us."

Regarding reports carried by a foreign news agency to the effect that Camilion had reportedly proposed that the Vatican make an overall reassessment of the problem, Videla said a proposal has been received and answered by Chile.

[Begin Videla recording] You should know that the Chilean Government always issues its statements through the appropriate channels. It never relies on strange sources or on reports which appear suddenly from nowhere. Whenever the Chilean Government has something to say it speaks through the appropriate channels. We have nothing to say, there has been a proposal and Chile has answered it. [End recording]

Videla rejected any possibility of Foreign Minister Rene Rojas Galdames making a trip to Rome. He said that the minister traveled to Rome on 12 December last year to receive the proposal from the hands of the pope, a proposal which has been analyzed by the government and an answer has been sent to the holy father accepting his suggestions. From our point of view there are no problems so far, now this proposal has to be turned into the appropriate treaties.

CGO: 3010/1322

DIFFICULT PERIOD FOR CHRISTIAN DEMOCRATS DISCUSSED

Santiago QUE PASA in Spanish 20-26 Aug 81 pp 7-9

[Passages enclosed in slantlines printed in boldface]

[Text] From October 1977 to August 1981 is almost 4 years and the former DC [Christian Democracy] is like it was then or perhaps before then, not in strength (its leaders say it has gained ground) but in achievements on that road to "the turn toward democracy." Our point of reference is QUE PASA No. 392: "The little success achieved seems to have led to what Andres Zaldivar calls 'the third stage' which would be an 'inducement' to advance quickly toward new political conditions with broad exercise of all or almost all public freedoms." However, this strategy has not yielded results and its advocate was expelled.

In June and July, QUE PASA talked with several distinguished DC leaders. They were still reeling from the government measure against Andres Zaldivar. Imagine how they feel now! Before that wound healed, the expulsion of Jaime Castillo Velasco opened a new one.

"I feel soiled, I feel dirty, filthy, because I am not brave enough to go out into the streets and scream about this awful injustice," a man from the dissolved party told us.

The Christian Democrats are very weary, discouraged, lost. The leaders do not confess this ("put up a good front") but the large number of former members and sympathizers who continue their "ghetto" social life reveal otherwise.

The classic question is: "And what are you doing?"

"Well, here I am, working, earning money, passing time" is the classic response of most of those who used to support the Frei government.

This life is meaningless to them. To work just to work, to maintain a family, to earn money if possible, to work in private enterprise--all this is merely existing.

"We were educated to work in 'public life,' to participate and create from public positions. We were always told that private enterprise was something speculative, done by a certain type of people who only sought personal enrichment. I recognize that there are serious conceptual errors but you must also recognize that the training that we have received and the life to which we have applied that education cannot be easily erased." (The speaker was 42 years old.)

DC Ghetto

Everyone recognizes that they were isolated and nothing else existed for them. They married each other, went to soccer games and to Mass together, studied together, thought and governed together. They did so many things together that today it is difficult for them to leave the ghetto that they have created with their own hands. Perhaps that is the reason they did not find that desired "consensus." Who knows if the new generations can carry a different stamp--that is, if the "old guard" does not insist on its own stamp.

The institutes, corporations and centers where the DC philosophy is created and re-created strive for pluralism among their members or, at least, among their guests but that is not easy. Who wants to be a member of the Academy of Christian Humanism or ICHEH [Chilean Institute for Humanistic Studies] if he is not in the DC? There is no place to hide. In a country where etiquette reigns, belonging to one of those centers brands one forever.

It is hard to find followers, even in its own ranks. Compliments are free but many times do not succeed. There is the case, for example, of the problem that arose because of the creation of two very similar groups in the academy and ICHEH. The first established the "International Studies Circle" and the second set up the "International Studies Council." The first won by "two bodies," two bodies that were in the sights of the second--a president, Hernan Santa Cruz, and a member, Gabriel Valdes. Both received large offers from the ICHEH but it was already too late and they had signed up with the academy. They were only members of the "council" since Jorge Edwards was put in as president. Gabriel Valdes did well with both Moors and Christians ("Turks" and "Chascones" as we will see below). He also had time left over for his Corporation for Development Studies where he is trying to form the broadest front possible.

"Tomic Is Irresponsible"

The people who arrive suddenly from abroad (like Valdes and Tomic recently) do not fit in easily with the national "potpourri." After several years of living outside the country, they arrived renewed and happy to return to their fatherland. They were quickly pulled into the DC ghetto. They do not seem depressed yet and give the feeling--at least in Valdes' case--of looking for their group, rethinking their past and future.

Gabriel Valdes' arrival has frightened some people but he does not seem to want to replace anyone at the moment. However, Tomic's arrival was like a "kick in the head." During an interview shortly after his return, he struck a low blow against the political parties: "The great challenge of our time is to find a new expression of democratic values, a new way of organizing the national consensus on some other basis than the traditional basis of political parties."

The Christian Democrats were crushed by this. The governing board thought about issuing a statement but, although they say that Tomas Reyes (the president) is slow to act, we think it never was issued.

"Tomic is irresponsible! Crazy! And to think that I worked and voted for him," said a DC professional.

Alvaro Bardon abruptly ended the interview as if a bug had bitten him. He said that Tomic's statements were very similar to those of people branded as fascists. In passing, he struck out at his former party: "Our centrist parties have always suffered from a leftist complex so that those who kicked with their right foot or with both were always the object of suspicion. However, the same was not true about the alleged leftists who have always had license to say whatever they want."

An interesting theory arises from this "leftist complex" as Bardon calls it. How do those who graduate from the UCH [University of Chile] and the UC [Catholic University] view the left? According to a university professor (a UCH graduate), they are two completely different worlds. Those with a UC tradition have known a very special left like MAPU [Single Popular Action Movement] or the Christian Left whose members generally belong to high social classes. They maintain close ties through physical or social relationship (they drink tea on Sunday with the same aunt and go together to Miss So-and-so's party). The UCH tradition is different. The students from that university had to face real members of leftist parties in the past. They know the danger and they know, without complexes, that it is necessary to keep them in check. They do not have a feeling of "social guilt."

"Turks," "Chascones" and Others

Differences of opinion about closeness to the left could arise from those different "traditions." The governing board calls itself anticomunist and rejects any understanding with that group but this could change. Possibly on this point, though, its position would never change.

A change in the governing board is expected in the coming months. "Tomas Reyes (president) unifies but is not a mover." That has been explained to us. The candidates might be Claudio Orrego and Raul Troncoso, Freists very similar in line, although the former is more renovating. Other names are also mentioned: Juan Hamilton, Patricio Aylwin (although there would not be much agreement to continue with the old guard), Genaro Arriagada (considered very valuable, his radical past would hurt him) or Eugenio Ortega (Frei's son-in-law who has little interest in that position).

At this time, there are three groups in the DC: the "Turks," the "Chascones" and the "businessmen."

The /Turks/ are a group within officialism (the Frei group) of relatively young people whose basic plank would be the modernization of the party and the need to have a replacement generation. The main leaders of the "Turks" are Andres Zaldivar, Carlos Figueroa, Raul Troncoso, Genaro Arriagada, Enrique Krauss, Claudio Orrego and Eugenio Ortega. They are called Turks because of their similarity to the Turkish leader, Kemal Ataturk, who introduced modernization in his country. This group, according to the information gathered by QUE PASA, wants to modernize the party through new techniques, an administration under them and--the most revolutionary--an updated doctrine, untying it from traditional social Christian philosophy and incorporating new elements like national security and human rights.

The "Turks" naturally have a "daddy" to present for their image, especially outside the country, and would maintain good contact with U.S. /liberals/.

The /Chascones/ constitute the left wing of the party. They are the heirs of the "old Chascones" who started MAPU and the Christian Left. The majority of the members of the Academy of Christian Humanism are in this group. They have elected a leader, Gabriel Valdes--with or without his consent--because, according to them, he would impress Frei. Valdes could have been influenced by his son Juan Gabriel (a member of the academy) although we have learned that he maintains excellent contacts with Frei and would not want to stir things up right now.

"But D'Etigny is not a 'Chascon.' He is an academician and accepted that work because it seemed interesting to him, not for political reasons," one of our informants stated about the academy director.

There are basic differences between "Turks" and "Chascones." Primarily, the former are opposed to any understanding with the left, especially with the Communist Party, while the latter would be willing to form a broad democratic front and to work in certain sectors with that party.

Apart from that, the "Turks" would agree to have some relationship with the government which would permit them to negotiate or use pressure in some way. For the "Chascones," naturally, anything that smells of government smells bad. Therefore, they openly reject any turn in that direction.

As always, one of the main problems is the illusive cash, especially for the "Turks" since "modernizations" are not carried out with trinkets. The Church has helped them but it also helps the "Chascones" which arouses the wrath of the "Turks" who would like to see the academy disappear. At this time, they are strongly pressuring the Cardinal to close the magazine ANALISIS, a publication of that academy. The archbishop, according to them, has more confidence in the "Turks" but he cannot avoid helping the others who, due to their leftist tinge, would hardly have any place to work at this time.

The third group is that of the /businessmen/ who are a little withdrawn from the party today, involved--and sometimes bewitched--by that market economy that is still tempting to those who play with it. This group follows Frei's line--now surely that of the "Turks"--but they are not active members. They include Francisco Fluxa, the Concepcion Bank group (Ascui, Zavala and Villarzu and Bardon who returned to the fold), Edmundo Perez and others.

Major Questions

There are no definite answers to them. Under a hypothetical DC government of "consensus" or "center" or whatever it is called, what would happen to the Communist Party, the military who govern now and the economic policy?

The local professionals and intellectuals with whom QUE PASA talked are very realistic. To achieve "consensus," they say, the best thing would be to stay away from the Communist Party, to respect the Armed Forces and to keep whatever is valid in the present economic model. This group--which has its feet on the ground since it is not at the top--presents the absolute need to keep contacts (at the professional, cultural and social level) with other groups like the Social Democrats, radicals and "progressive liberals" alive--and, in fact, does. What about the soft? "They

are very rare but it is also possible with some of their sectors." Their hope is that a new group, basically homogeneous, will arise without the old vices, hatreds and weaknesses.

Thus this "DC culture" moves with difficulty, with fear, recognizing errors, re-proaching frailties and seeking new roads that are not found overnight. In spite of the fact that there are people who think that the role of the DC today "is almost nil" (like Fernando Castillo) and in spite of the fact that the depression has already lasted more than 10 years, there are still people who continue to believe in it.

7717
CSO: 3010/1751

JOURNALISTS' BOARD PROTESTS CENSORING OF MAGAZINE

PY101736 Paris AFP in Spanish 1930 GMT 4 Sep 81

[Text] Santiago, 4 Sep (AFP)--The Journalists Association has issued a statement noting that the government decision prohibiting the Chilean magazine APSI to report on national events is an illegal measure since it undermines freedom of the press and freedom of expression.

APSI, which maintains a critical position against the military regime presided over by President Augusto Pinochet, suspended its editions by the end of August and it submitted a court appeal after the Interior Ministry had notified it that it was only able to publish foreign material.

The National Journalist Board added in its statement that it categorically protests this decision and it appeals for the strict enforcement of the law.

Clause No 12, Article I of the recently approved constitution "assures all persons the right of freedom of speech and of reporting anything by any means without being previously censored but without detriment of having to answer to those crimes and abuses that may be committed."

The communique adds that the Journalists Board reasserts its purpose to struggle for the enforcement of its basic principles of defending the rights of men and respect for the human being.

The Chilean Government censored APSI, which has a nationwide circulation, on the basis of a law authorizing the president to abolish certain rights and freedoms whenever the state of emergency is in force for reasons of national security.

It has been noted that the state of emergency has been extended every 3 or 6 months in the past 7 years within the struggle that the military leaders are presently waging in Chile against Marxism.

CSO: 3010/1322

BRIEFS

BANKS CONCERN OVER GOVERNMENT MEASURES--Santiago, Chile, 1 Sep (AFP)--Chilean bankers today expressed their disagreement and extreme concern over a number of government regulations which, according to them, restricted freedom and the good progress of their enterprises. The new regulations, promulgated last week, allow the government to suspend the activities of the banks when they show some financial instability or deficient administration and when they grant credits to persons or institutions linked to their financial management. Moreover, the law has forbidden the banks to acquire shares within industrial incorporations or to own agricultural goods. The association which groups 41 private banks and 17 financial institutions which operate in Santiago stated today that such broad and discretionary powers are not in keeping with the contribution they have made so far to the progress of the country. In this regard, the bankers stressed Chile's economic growth and the increase of foreign credits since the establishment of the liberal policy 8 years ago, replacing the centralized system which had been in effect until 1973. Before that date, the banks have been gradually turned over to state ownership by the overthrown leftist regime of Salvador Allende. [Text] [PY072304 Paris AFP in Spanish 0353 GMT 2 Sep 81]

EXTREMISTS REPORTEDLY IN COUNTRY--An Interior Ministry source reported at La Moneda Palace at noon today that the report published by the Buenos Aires newspaper LA NACION, that approximately 400 extremists had entered our country, is absolutely groundless. He added that the Chilean Government does not know of anything like that happening before. The Buenos Aires newspaper states that Montonero guerrilla groups recently reentered Argentina, but that a subversive group--made up of men and women from different nationalities, including Cubans--had entered Chile. [Excerpts] [PY071839 Santiago Chile Domestic Service in Spanish 1730 GMT 7 Sep 81]

FORMER DEPUTY'S HOUSE ATTACKED--Santiago, Chile, 7 Sep (AFP)--Unknown persons threw four molotov cocktails today at the residence of sociologist and former Chilean deputy Claudio Orrego. One of them exploded without causing any casualties, the police reported. Orrego, who was a parliamentarian and a leader of the Christian Democratic Party until the enforcement of the political recess in Chile 8 years ago, is considered one of the opposition figures to Gen Augusto Pinochet's government. The perpetrators of the attack threw many pamphlets which appear to be signed by the proscribed MIR (Movement of the Revolutionary Left) in front of his house. Orrego said: I don't want to make any judgment; it might have been the MIR, but it also could have been a provocative maneuver. Perhaps they are trying to push me to one side or the other. The latest attack of this nature

in Santiago happened on 11 July when a bomb exploded in the residence of a lawyer of the Vicariate of Solidarity, of the Catholic Church. [Text] [PY080022 Paris AFP in Spanish 2127 GMT 7 Sep 81]

ASSAULT ON JOURNALISTS--Police experts are investigating an alleged attack against journalist (Silvia Pintos). The event took place some days ago, but it was learned only yesterday what type of hole was found in the roof of the car belonging to (Silvia Pintos), vice president of the Journalists Association, a labor association. The journalist reported that last Friday, while she was in her car which was parked on the corner of (Andres Bello) Street and (Pedro de Valdivia) Avenue, she heard a crash inside the car. Some days later she commented on the event with her colleagues who, after carefully examining the upper part of the car, realized that the hole could have been made by a gunshot. The bullet had hit almost exactly where the driver was, but it ricocheted off the car's chassis. The well-known journalist has said that she would submit a complaint to the pertinent criminal court, so that an investigation of what could turn out to be an attack can be started. [Text] [Santiago Chile Domestic Service in Spanish 1100 GMT 3 Sep 81]

UNION LEADERS' PETITION REJECTED--The 8th Court of Appeals has rejected the third petition submitted by Alaimo Guzman and Manuel Bustos, pseudoleaders of the National Union Coordinating Board, to release them from jail. Both of them are charged with false impersonation of union representativity. The previous judge in charge of the case, (Sergio Valenzuela), had also rejected their petition; therefore, since the Santiago court of appeals has unanimously confirmed this decision the two pseudoleaders will continue to be under arrest. [Excerpt] [Santiago Chile Domestic Service in Spanish 1100 GMT 9 Sep 81]

ARRIVAL OF SPANISH AIRFORCE CHIEF OF STAFF--General Matthei received Lt Gen (Javier Alfaro Aregui), chief of staff of the Spanish Air Force, at the (Alfredo Merino Benitez) Airport a few minutes ago. The high-ranking officer has come to this country on an official invitation from the Chilean Air Force command. He will stay in this country until Sunday, 20 September, and begin his official program tomorrow, Tuesday, when he will go to the Defense Ministry to greet Defense Minister Carlos Forestier and the commander in chief of the Chilean Air Force, Gen Fernando Matthei. He will then proceed to La Moneda Palace where he will greet and have a meeting with President Augusto Pinochet. [Text] [Santiago Chile Domestic Service in Spanish 1730 GMT 14 Sep 81]

CSO: 3010/1322

GUERRILLAS ESTABLISH HEADQUARTERS IN SOUTHEAST

PA140358 Paris AFP in Spanish 2253 GMT 10 Sep 81

[Text] Bogota, 10 Sep (AFP)--The existence of a general headquarters composed of 250 guerrillas of the Communist Revolutionary Armed Forces of Colombia, FARC, was revealed today by the army intelligence to the "Colprensa" news agency.

The guerrillas, who have their main center of operations in Meta Province in the southeastern part of the country, are being trained by veteran guerrilla leader Manuel Marulanda Velez, known as "Tirofijo" and are apparently receiving economic assistance from well-known drug traffickers.

Investigations revealed that members of the San Juan de Arama Church and other regions in the Colombian eastern plains are indoctrinating the faithful in the region in favor of subversion.

This task is under the supervision of a German priest by the name of Vicente who has been identified as the head of the revolutionary clergy in this region.

The pro-Castro Army of National Liberation, another group operating in the country, is also active in this Colombian region with a group of 30 men.

The group has entered the Meta southeastern region in agreement with the FARC general staff and will work jointly in the future, the military source informed Colprensa.

A third movement the 19 April Movement has entered with 60 men into an extensive region in San Vicente del Caguan, bordering with the Meta and Caqueta Provinces in the southern part of the country, in order to support the FARC activities.

The army security services reported the existence of an arsenal composed of 250 revolvers, 80 carbines, 40 rifles, 40 German machineguns and 100 shotguns.

One of the strategies used by the guerrillas to remain operational is to distribute their personnel in neighboring farms where they farm and tend cattle. After participating in a guerrilla operation they conceal their weapons in the peasant dwellings.

Most of these farms have been purchased by the guerrillas with funds from Cuba and the Soviet Union for an amount that has not been determined.

To corroborate recent charges made by the Colombian army high command regarding the links existing between the Colombian Communist Party and the guerrillas, it was learned that several party members visited the guerrilla region recently and were awarded military honors.

The guerrillas also compel farm owners to "deliver" their children to the movements, so that they can receive military and ideological training twice a week.

In view of the aforementioned situation the Colombian army has begun gigantic military operations to dismantle the subversive organizations.

CSO: 3010/1809

BRIEFS

FOREIGN MINISTER TO PRC-JAPAN--Bogota--Foreign Minister Carlos Lemos Simmonds will pay an official visit of several days to the PRC and Japan at the end of September 1981. The announcement was made by the foreign minister himself, who said that the purpose of the tour is to expand the bonds of friendship with the governments of both countries, taking into consideration their great importance in the industrial field. On the scope of the visit, Foreign Minister Carlos Lemos Simmonds said: [begin recording] We attach great importance to this visit to China and Japan. We have had relations with Japan for many years, the relations with China are more recent, but both countries have immense importance for Colombia due to their specific weight [as heard], due their importance in Asia, due to the extraordinary commercial exchange and industrial vigor of Japan. Therefore, this visit is also a way to cover a new front in Colombia's diplomatic life, which fortunately is daily more explicit due to the desire to maintain relations, to expand them and make them more productive with all the countries of the world. Probably at the end of next month [as heard] I will be leaving for the Peoples China, to repay the very friendly visit paid to Colombia by Foreign Minister Huang Hua. Then I will visit Japan and later I will be present for a few days at the UN General Assembly and will speak there, probably on 9 October. [end recording] [Text] [PA080328 Bogota Radio Sutatenza Network in Spanish 1200 GMT 7 Sep 81]

M-19 PANAMANIANS SERVE SENTENCE--Bogota, 10 Sep (EFE)--Colombian Justice Minister Felio Andrade Manrique affirmed today to EFE that the five Panamanians sentenced in a military trial of the guerrilla group M-19 will have to serve their sentence, and after which they will be expelled from the country. Andrade Manrique also noted that there is no extradition treaty between Colombia and Panama that would allow the early release of the Panamanian youths. Reports from Panama City say that President Aristides Royo is negotiating the release of the prisoners with the Colombian Government. Andrade Manrique refused to comment on this subject. Panamanians Mario Alexis Concepcion Lopez, Pablo Fernandez Brumel, Roberto Garrido Bisuit, Teodoro Hunt Helsop and Ricardo Quintero are serving a total of 22 years and 5 months imprisonment in the Ipiales jail in the south of Colombia. They were captured by the Colombian army in March when, accompanying an "M-19" column coming from Cuba, they tried to invade [invadir] the south of the country. This situation prompted the severance of diplomatic relations between Cuba and Colombia. Fidel Castro's government was accused at that time of training the Colombian guerrillas. [Text] [PA111758 Madrid EFE in Spanish 1743 GMT 10 Sep 81]

'DELICATE' LABOR SITUATION--The country's labor situation became very delicate today with the strike of 10,300 national railroad workers, who are demanding

payment of their last three bimonthly salaries totalling 400 million pesos, according to the company's manager, [name indistinct]. In another development, the teachers, through the Colombian Teachers Federation, will begin meeting with Education Minister Carlos Alban Holguin and other ministry officials today to try to find solutions to the problems they are having throughout the country. As has been announced, the teachers stopped all work on Friday, demanding an adequate budget by which to solve their economic difficulties and those of the educational sector throughout the country. In addition, today is the labor minister's deadline for the workers of the Gran Colombiana Merchant Marine to return to their duties, in order to begin legal discussions of their salaries and of other issues they have brought up through the ministry and through their union. Labor Minister Maria Stella Sanin de Aldana has offered full guarantees to the workers who return to their duties. That is, he has agreed that their list of petitions will be negotiated directly with the company, while other points at issue will be negotiated through the [word indistinct] court appointed by that ministry. [Excerpt] [PA141835 Bogota Radio Sutatenza Network in Spanish 1200 GMT 14 Sep 81]

ATTACKS IN MEDELLIN--Medellin--The city of Medellin and several municipalities of the metropolitan area have been placed under strict control measures after several high tension towers were dynamited by subversive elements. The Defense Ministry report on this says that the first attack was against tower No 1 located in the sector of the (de Bello municipality) known as (Manga de) [word indistinct], which connects with the Guatape and Miraflores sectors. The second attack, which caused more than 3 million pesos' worth of damages, was against tower No 4 in the municipality of Itagu. The third dynamite charge was deactivated by members of the state's security forces a few minutes after the terrorists placed it against the Miraflores tower. One of the persons who participated in this operation was arrested, while the others managed to escape. She was identified as (Alicia Sanchez de Mira) and was turned over to the authorities. [Text] [PA142003 Bogota Domestic Service in Spanish 1730 GMT 14 Sep 81]

CSO: 3010/1809

PLN REQUESTS CENSURE OF CENTRAL BANK DIRECTORS

San Jose LA NACION in Spanish 18 Aug 81 p 4A

[Text] The National Liberation Party (PLN) requested a censure vote against the ministers who make up the Board of Directors of the Central Bank, when debate began yesterday on the currency devaluation bill. That matter is considered to be the most serious economic and monetary decision the Legislative Assembly has had to make in many years.

The proposal for the censure vote was made by Deputy Carlos Manuel Castillo, and today it will be formally introduced by the chief of that political group's legislative caucus, Armado Arauz.

According to Castillo, the ministers of economics, industry and trade, planning and finance are to blame for the inept handling of the current administration's monetary policy.

"Furthermore," he added, "in the debate on a censure vote the ministers will have to explain to the nation and to Congress why, as directors, they ignored the recommendations of the Central Bank experts who 2 years ago requested that the currency be devalued between 12 and 12.50 colons."

He also asserted that the Central Bank's Board of Directors is responsible for the deficient handling of the national currency.

Bill

The bill states that the external value of the colon, in terms of U.S. dollars, will be US \$0.666666 per colon, so that one U.S. dollar equals 15 colons.

It adds that the Central Bank must submit a quarterly report to Congress, beginning when the law takes effect. This report should contain details about the exchange, credit and foreign debt situations, and the financing received by the government and the autonomous agencies of the Central Bank and commercial banks, along with whatever recommendations and suggestions it deems pertinent.

Article 2 states that no later than 4 September 1981, the Central Bank must submit its recommendations to the speaker of the Legislative Assembly in the form of a bill. The speaker is to incorporate that text into proposed legislation, through the appropriate regulatory channels, concerning the following issues:

--The treatment the bank will accord obligations contracted in foreign currency, in order to deal fairly and equitably with matters between debtors and creditors.

--The regulation of the foreign currency market, whether it be centralized in the hands of the Central Bank and the banks it names, with very specific exceptions, or left in relative freedom, with the regulation of the activities of the physical or juridical persons that intervene in it.

8.60 Colons

Immediately following is a transitory provision authorizing the Central Bank to continue drawing on its foreign reserves at an exchange rate of 8.60 colons, for the following items:

--The servicing (amortization or interest) of the obligations which the state banks have with foreign financial institutions at the time the law comes into effect, as long as such obligations have been accepted by the Central Bank and those resources have been used for the financing of private productive activities.

--Payments made to cover the needs of Costa Rican students who are taking university courses abroad, on the condition that the students were duly registered with the Central Bank before 26 December 1980.

--Expenses incurred for surgical procedures or medical treatment obtained abroad, as long as they took place or began before 26 December 1980, and with the understanding that this benefit will only be granted if it was not possible to obtain that kind of service in this country.

--Finally, the outlays included in the 1981 Budget for the servicing (amortization and interest) of the government's foreign debt, as well as the external expenditures for salaries, representation expenses and travel costs of officials abroad, incurred by the Ministry of Foreign Relations, as long as those expenses have been included in the 1981 Budget.

Serious Decision

In introducing the devaluation bill, the chairman of the Financial Affairs Committee, Ramon Aguilar Facio, asserted that this measure constitutes the most serious decision taken in recent years, because a parity is established that has a fiscal effect but no real effect on the value of the currency.

"The fact that we accept the devaluation proposed by the Central Bank does not mean in any way that the dollar will be worth 15 colons, because it is not known whether there will be enough foreign currency available to meet Costa Rica's needs," warned the deputy.

Citing some of the causes of the country's present crisis, Aguilar Facio stated that the government bureaucracy has mushroomed, and now we are paying for that uncurbed expansion.

He stressed that solving the country's problems does not require devaluation alone. "We must spend less, because the country has become poorer, and we must face up to this new situation," he remarked.

Long Road

Dr Carlos Manuel Castillo stated that we are reaching the end of a road that seems very long, but in fact it has been short: the duration of the current administration.

He assailed the lack of foresight, ineptitude and errors of the Carazo administration, which "have led us, as in our worst nightmares, down a long road."

He recalled that since 1970 a series of changes has taken place in the history of humanity, and the country has suffered the consequences. Such is the case of the new international economic order, and of the 1974 food crisis and the burgeoning of fuel prices.

He related everything the two previous PLN administrations had done to overcome the problems that stemmed from this situation, in which, he said, "the inflationary phenomenon was successfully combatted."

Later he commented on what he felt were the mistakes of the present government; first he asserted that for the first time prices will have increased more than 40 percent over the previous year's levels.

"Moreover," he claimed, "for the first time national production will not grow; on the contrary, it will fall. The slump in the economy is unprecedented in our economic history; it reflects the pernicious actions of the government in the area of production," he commented.

He also criticized the increase in public spending, as well as the current make-up of the Central Bank Board of Directors. He stressed that the institution must be given genuine autonomy.

No Longer Exists

According to Castillo Morales, the colon is not battered or sick; it has actually ceased to exist. "It was destroyed by the government," he claimed.

He asserted that at this time we are witnessing the "dollarization" of the Costa Rican economy, because that currency is now being used as a unit of exchange instead of the colon.

He added that our currency is not being used as a unit of accounting either, nor as a unit of deposit.

"The destruction of the colon has resulted in the disappearance of sources of foreign financing, since no one can lend money to the country in confidence," he emphasized.

Motion

A group of Unity deputies presented a motion to amend the bill presented by the committee, so that the dollar accounts with banks in foreign countries or in Costa Rica may be paid at 8.60 colons to the dollar.

However, that motion has no place in the plenum.

8926

CSO: 3010/1779

MORA HERMAN CHASTISES REAGAN 'REACTIONARY' POLICY

FL111401 Havana Domestic Television Service in Spanish 0000 GMT 1 Sep 81

[Commentary by Carlos Mora Herman]

[Text] It is necessary to continue to insist on the danger that for humanity represents the irresponsible, aggressive and unscrupulous direction being followed by the present U.S. Administration in its international policy. The Washington government attempts to make us believe that such a policy of military escalation, threat, aggression and blackmail has the support of the majority of the U.S. people. Nothing could be farther from the truth.

The assumption of power by the most reactionary forces in the United States took place under very special circumstances. President Ronald Reagan was elected by only 27.3 percent of the votes in an election which was characterized by the highest rate of absenteeism in that country's electoral history. But, that is not all.

When Labor Day was commemorated in the United States last Monday, more than (?100,000) persons paraded through New York City's Fifth Avenue to protest Reagan's policies and, for the first time in the last 13 years, a U.S. President was not invited to the workers' festivities. It is interesting to note that during the first 6 months of his presidency, Reagan has placed the country's economic future between the characters representing doubt and anxiety.

One of that country's union leaders, AFL-CIO President Lane Kirkland, openly criticized the President's policies which, according to him, will lead to the elimination of 1.25 million jobs. The disproportion ate increases in the military budget, the production of arms with enormous destructive power such as the neutron bomb and the MX missile, interventions in other countries and the brutal and cynical aggressions such as the one recently carried out against Libya, the arrogance displayed by officials such as Secretary of State Alexander Haig, capable of cynically lying to justify his government's meddling actions in Central American and the Caribbean as well as in other places of the world, reveal a high degree of political adventurism by Washington.

Reagan is acting like a neurotic trucutu [monkey], as if he were in a hurry to carry out all the sinister aspirations of Yankee neofascism. Imperialism has reached such a degree [of arrogance] that it is capable of doing anything. Faced with a future of decadence and collapse, its most reactionary brains are attempting to give

humanity one big blow with its claws. The neutron bomb, whose production has been ordered in the United States giving rise to a wave of protests worldwide, has been termed a genetic device, since the genetic mutations and deficiencies it would cause will prevail in the affected populated area for generations.

All that monstrosity the U.S. Government has set in motion under the pretext of the communist threat and, in reality as a desperate attempt for the survival of its political, economic and social system, it is a terrible boomerang which imperils U.S. integrity and the life of its people. Learning to what degree of abjection, cruelty and lack of scruples the U.S. imperialists are capable of reaching provokes indignation. The use of bacteriological means to attack small nations is such a colossal crime that the human brain refuses to accept it.

Cuban President Fidel Castro's denunciation in his 26 July speech in Las Tunas on the responsibility of the Washington government and the CIA in the hemorrhagic dengue epidemic in our country and the government declaration published in today's GRANMA on the new hemorrhagic conjunctivitis epidemic recently detected in Cuba are revealing elements of the brutal, inhumane and criminal nature of the U.S. leaders. Stopping that madness is a common task of all peoples, including the U.S. people who are also threatened by the boomerang of that policy.

CSO: 3010/1813

'OUR AMERICA' COMMENTS ON FRENCH-MEXICAN ACTION

PA031630 Havana International Service in Spanish 2310 GMT 1 Sep 81

["Our America" commentary]

[Text] The recognition by France and Mexico of the FMLN and the Democratic Revolutionary Front [FDR] as representative political forces capable of assuming their responsibilities in El Salvador has stirred a general reaction of support on the part of the international community, placing in a critical position the open support to the regime by the Venezuelan and U.S. governments.

Washington has said on three occasions in the past few hours that it will continue to support the genocidal junta of El Salvador with arms and advisers for that country's army in an effort to smash the popular movement. A State Department note upholds the stubborn position of the U.S. Government to favor an electoral process in that country, excluding the leftist organizations.

The U.S. press described as a serious diplomatic blow against the Salvadoran Government, supported by the United States, the official announcement by France and Mexico to recognize the belligerence [as heard] and the need to take into consideration the opposition revolutionary organizations of El Salvador to end once for all the suffering of the people of that Central American country.

To the U.S. Government, of course, it is unacceptable that France and Mexico should have declared it legal for the FMLN and the FDR to participate in establishing the mechanisms of rapprochement and negotiation required for a political solution of the conflict.

To the White House, the French-Mexican communique is a hard blow to its hegemonic policy in Central America and the Caribbean, which also seeks to isolate the revolutionary governments of Cuba, Nicaragua and Grenada. That is why the United States is opposed to the recommendation of the French-Mexican communique to initiate in El Salvador a total process of political solution, which will establish a new internal order, including the reorganization of the armed forces and the creation of the necessary conditions to guarantee respect for the people's will to be expressed through authentically free elections and other mechanisms earmarked within a democratic system.

Referring to this, the New York TIMES said that the French-Mexican recognition of the FMLN and the FDR creates the possibility of summoning the UN Security Council

to discuss the Salvadoran case. According to the paper, diplomatic sources expect U.S. opposition to any UN debate on the Salvadoran situation, fearing debate would bring out U.S. interference in the internal affairs of that Central American country by sending arms and advisers to that country's genocide regime.

In Mexico, meanwhile, the entire press has described the French-Mexican joint document as a courageous and historic decision, agreeing with journalistic organizations in other countries that this decision constitutes strong support for the heroic movement of struggle for the true freedom of the Salvadoran people.

In France, all papers referred to the document. LE MATIN of Paris published the information under a headline stressing that Mitterrand recognized the guerrillas of El Salvador, while L'HUMANITE described the news as of utmost importance.

In fact, as affirmed in the Mexican capital by Salvador Samayoa and Jose Napoleon Rodriguez, members of the politico-military committee of the FMLN and the FDR, the French-Mexican communique is an issue of special interest in the world which shows the nature of the firm determination of the Salvadoran people and a setback to the policy of the incumbent U.S. Government.

CSO: 3010/1812

BRIEFS

MEETING IN NICARAGUA--Cuba will take part in the third meeting of labor, agricultural and farmer organizations of Latin America and the Caribbean to be held in Nicaragua in November. The announcement was made by Rene Penalver, member of the Central Committee and secretary general of the agricultural and forestry workers trade union. One of the objectives of the meeting is to promote international solidarity against the renewed surge of capitalist exploitation in area countries. [Havana Domestic Service in Spanish 1600 GMT 1 Sep 81 FL]

ASSESSMENT MEETING--Jose Ramon Machado Ventura, member of the Politburo [of the Communist Party of Cuba] and a deputy to the National Assembly of the people's government, presided at a meeting to assess the course of preparations for the 68th IPU conference to be held in Havana from 15 to 23 September. Also present at the meeting were Raul Roa Garcia, acting president of the National Assembly; Vilma Espin, alternate member of the Politburo and president of the Federation of Cuban Women and Jose Miyar Barruecos, secretary of the Council of State, as well as other deputies and leaders. [Text] [Havana Domestic Service in Spanish 1400 GMT 3 Sep 81 FL]

CLAIMED PUERTO RICANS ABUSED BY U.S.--Robert (Koone), a former U.S. navy officer, now an official on the Puerto Rico's Viequez island, is now seeking money to contract terrorists to murder Viequez leaders, the newspaper, CLARIDAD, said today. The accusation say that Robert (Koone) intends to physically eliminate Carlos Zenon, president of the fishermen's association and of the crusade to rescue Viequez, as well as Victor Amelio, chairman of the Puerto Rican Socialist Party on this island. Meanwhile Angel David Gonzalez, president of the police association, admitted that this military corps has a secret section to spy and keep tabs on the various Puerto Rican political leaders. The bar association and medical and journalist associations in Puerto Rico have challenged police chief (Desiderio Cartagena), to present proof of his accusations that among those professionals who are striving for Puerto Rican independence, there are persons linked to terrorist organizations. The United Committee Against Repression has also protested abuses of two [as heard] victims. Jorge Algizu (Orta), who is proindependence, is in the U.S. prison in Fulton where he has even been threatened to death. [Text] [PA130323 Havana International Service in Spanish 0000 GMT 13 Sep 81]

DEFICIENT UN MISSIONS PROTECTION--Cuba has reasserted that the U.S. Government does not fulfill its obligations and duties as the host of the United Nations and that it allows constant attacks against Cuban officials and diplomatic missions. The accusation was made by Cuban Foreign Minister Isidoro Malmierca in a ceremony held

in Havana on the occasion of the first anniversary of the murder of New York of Felix Garcia Rodriguez, a Cuban official of the permanent Cuban mission at the United Nations. The young diplomat was shot to death as he drove an automobile in New York City by Cuban counterrevolutionaries, members of the Omega 7 group operating with impunity in the United States. Referring to this attack, Malmierca said that the killers acted aware that they could act with the impunity granted by U.S. officials. He said that terrorist groups living in the United States are repulsive representatives of the scum of society. Malmierca emphasized that if the United States is trying to scare us with crimes like this, it must now be aware that far from scaring us, our people, revolution and representatives are today more decided than ever to defend our principles. [Text] [PA130253 Havana International Service in Spanish 0000 GMT 13 Sep 81]

ARTILLERY SCHOOL CONGRATULATED--A message of greetings from Army Gen Raul Castro, second secretary of the PCC and minister of the Revolutionary Armed Forces [FAR], was conveyed to officers, warrant officers, cadets, soldiers and civilian workers on the occasion of the 20th founding anniversary of the Comdr Camilo Cienfuegos Artillery School. The message was read by Brig Gen Jose Morfa Gonzalez, who made the closing remarks at the ceremony which was chaired by Div Gen Sixto Batista Santana, alternate member of the PCC Politburo and chief of the FAR Centrpoltical Directorate. [Text] [FL121231 Havana Domestic Service in Spanish 1000 GMT 12 Sep 81]

HERRERO CHAIRS MATANZAS CEREMONY--In Matanzas, PCC Politburo alternate member Antonio Perez Herrero last night chaired a ceremony ending all activities in honor of the day of journalists. Ernesto Vera, secretary general of the Union of Cuban Journalists [UPEC], made a speech at the event in which he praised the work of Matanzas' journalists in UPEC local offices, in the movement of volunteer correspondents and in professional improvement. He said these efforts had resulted in the decision to hold the national ceremony celebrating the day of journalists in Matanzas. After congratulating them, he exhorted them to continue to be an example of what journalism should be in socialism. [Text] [FL091438 Havana Domestic Service in Spanish 1000 GMT 9 Sep 81]

CASTRO MEETS L.A. INTELLECTUALS--Fidel Castro Ruz, president of the Councils of State and Ministers, has met with members of the Standing Committee of the first meeting of intellectuals for the sovereignty of the peoples of our America. The following members of the committee were in attendance: Mario Benedetti, Juan Bosch, Ernesto Cardenal, (Sussy Castor), Gabriel Garcia Marquez, Pable Gonzalez Casanova, (George Lamin) and Mariano Rodriguez. Minister of Culture Armando Hart Davalos also attended the meeting. At their meeting with Castro, the members of the committee discussed the measures they have adopted in order to implement the agreements approved at the recent meeting of intellectuals. Castro also met with other intellectuals who attended the meeting. A fruitful, broad dialogue was held on the development of the meeting, on the intellectuals' decision to defend their culture, sovereignty and peace and their steadfast opposition to the reactionary forces which are threatening to bring war and destruction. [Text] [FL111515 Havana Domestic Service in Spanish 1400 GMT 11 Sep 81]

W. SAHARAN TALKS 'CORDIAL, FRIENDLY'--Ibrahim Hakim, minister of foreign relations of the Saharan Democratic ARab Republic [SDAR], who began an official visit to our country today, has met with his Cuban counterpart, Isidoro Malmierca Peopi, a

member of the Central Committee. The struggle of the Saharan people and the current international situation were discussed during the talks, held in a cordial and friendly atmosphere. Also present were Giradol Mazola, Cuban vice minister of foreign relations, SDAR Ambassador Bulahe Mohamed Fadel, Cuban Ambassador Raul Barzaga and foreign relations officials. Representatives of the diplomatic corps accredited to Cuba welcomed the Saharan foreign minister prior to the talks. [Text] [FL102159 Havana Domestic Television Service in Spanish 0000 GMT 11 Sep 81]

MALMIERCA MARKS NONALIGNED ANNIVERSARY--Cuba's Foreign Minister Isidoro

Malmierca Peopi today chaired a solemn ceremony at the United Nations on the occasion of the 20th anniversary of the founding of the nonaligned countries movement. In a speech at the ceremony on behalf of the chairman of the nonaligned countries movement, Fidel Castro, Malmierca stated that the path traversed by this group of countries during the past 20 years has been saturated with difficulties, encountering numerous and continuing attempts to sow division in its ranks. He asserted that the organization has been strengthened, broadening its ranks, winning new members and attaining the status of an independent and authoritative force in the world scene. Malmierca noted that the struggle against colonialism has cost enormous sacrifices to the peoples and that the liquidation of the aftermath, the battle against neocolonialism and imperialism, for peace and national independence and for the establishment of just and equitable international economic relations, has been and is bitter and difficult. [Text] [FL032253 Havana Domestic Service in Spanish 2130 GMT 3 Sep 81]

19 LEAVE PERUVIAN EMBASSY--Havana, 3 Sep (EFE)--EFE has learned that 19 of the 32 persons who had remained at the Peruvian Embassy here for more than a year have left the diplomatic mission. The 19 persons turned themselves over to Cuban authorities voluntarily on Monday, but this had been kept a secret until now. EFE learned that this is the first effective result of a visit to Cuba by a high-level Peruvian delegation. This trip received no publicity. [Text] [PA031719 Madrid EFE in Spanish 1633 GMT 3 Sep 81]

CSO: 3010/1812

OPPOSITION PLANS FRONT TO CHALLENGE GOVERNMENT

FL071608 Santo Domingo Radio Mil Network in Spanish 1000 GMT 7 Sep 81

[Text] Santiago--Francisco Augusto Lora, president of the Democratic Integration Movement [MIDA] has reported that details are being finalized for the signing of a protocol that will serve as the basis for the establishment of a front that will demand that the Electoral Council and the government guarantee free elections in 1982.

Lora said that after deliberations and prolonged debate, positive steps in this regard have been taken by the democratic groups of the opposition.

Lora said the organizations that are meeting for this purpose are the Reformist Party, the MIDA, the National Action Party, the [words indistinct] Party, the National Civic Union as well as the National Party of Civilian Veterans, the Republican Party, the People's National Movement, the Movement of National Conciliation and the 24 October Independent Movement.

Lora said that both the Electoral Council and the government should guarantee completely free elections that express the legitimate desires of the people. He expressed hopes that the planned democratic unity group will later become a broad political movement that will permanently bury the Dominican Revolutionary Party's expectations of remaining in power.

CSO: 3010/1810

COUNTRY SECTION

DOMINICAN REPUBLIC

COMMENTS ON FRENCH-MEXICAN COMMUNIQUE ON EL SALVADOR

Condemned by Guzman

PA100307 Buenos Aires LATIN in Spanish 0659 GMT 8 Sep 81

[Excerpt] Santo Domingo, 8 Sep (Latin-Reuter)--President Antonio Guzman commented last night that in condemning France and Mexico for their recent recognition of the Salvadoran guerrillas, the Dominican Republic has not ignored the master lines of its foreign policy.

According to Guzman, his government respects the principle of nonintervention in other nations' domestic affairs. He added that it is exclusively the Salvadorans' task to resolve their domestic conflicts.

"El Salvador must resolve its own problems. For our part, we try to solve our own problems and we neither want nor need anyone to intervene in our affairs."

The president defined his position in the wake of a ceremony inaugurating the work to expand Haina Port, 15 km southwest of this capital. The Inter-American Development Bank has granted a \$59 million loan for this project.

Newsmen asked the president about the original Dominican foreign policy in connection with the Salvadoran case. He answered: "From the very beginning, our line has been one of nonintervention in the domestic affairs of other states."

Pena Gomez Statement

FL041535 Santo Domingo Radio Mil Network in Spanish 1000 GMT 4 Sep 81

[Text] Dr Jose Francisco Pena Gomez has described the declaration signed by the Dominican Government along with eight other countries accusing Mexico and France of interfering in El Salvador's affairs as a joke. The secretary general of the Dominican Revolutionary Party [PRD] said that accusing France and Mexico of interventionism was a joke.

The Dominican Republic, along with Venezuela, Argentina, Chile, Bolivia, Honduras, Paraguay, Colombia and Guatemala, signed a declaration condemning the decision of Mexico and France to grant political recognition to El Salvador's revolutionary democratic front.

Pena Gomez was emphatic in his disapproval of the position adopted by the Dominican Government rejecting the stand taken by France and Mexico concerning the Salvadoran people's struggle. Dr Pena Gomez disassociated the PRD from the condemnation of France and Mexico signed by the Dominican Government. This is a government policy I do not agree with, one which the PRD has no reason to agree with, Dr Pena Gomez said. The PRD leader said he disagreed with any kind of interference in El Salvador. He added: To say that this is interference is absurd because it is the United States that is interfering by sending tanks, helicopters and money.

He said that everyone knows that the government has one foreign policy and the PRD another, which is one of identification with the socialist international and the parties that helped the PRD gain power.

CSO: 3010/1810

BRIEFS

CUBAN BOAT SEIZED--Santo Domingo, 9 Sep (EFE)--It was learned this afternoon that three crewmembers of a Cuban boat are being interrogated by the naval intelligence service following their arrest in Dominican territorial waters. A navy spokesman said that the boat was taken to the Port of Haina, 16 km southwest of this capital, and that the crewmembers were taken to the naval base close to the Haina. So far the authorities have not released any information on the type of boat involved, the names of crewmembers or the area in which the Cuban boat was detained. [Text] [PA111824 Madrid EFE in Spanish 0139 GMT 10 Sep 81]

NEW SPORTS SECRETARY--President Antonio Guzman yesterday named Dr Julio Ibarra Rios secretary state for sports, physical education and recreation to replace Vincente Sanchez Baret, who is devoting himself wholly to politics. [FL021736 Santo Domingo Radio Mil Network in Spanish 1000 GMT 2 Sep 81]

CSO: 3010/1810

NEW UK ENVOY DISCUSSES BELIZE'S INDEPENDENCE

Mexico City NOTIMEX in Spanish 1330 GMT 10 Sep 81

[Article by Enrique Alvarez Manilla]

[Excerpt] Mexico, D.F., 9 Sep (NOTIMEX)--After presenting his credentials to President Jose Lopez Portillo at the ambassadorial room of the National Palace, Crispin Charles Cervantes Tickell, the new British ambassador to Mexico, has said that the British army will stay in Belize to guarantee Belize's independence.

Cervantes Tickell said Mexico and the United Kingdom share the same position on Belize and on the right of the Belizean people--who will obtain their independence on 21 September--to self-determination.

He conveyed the regret of the British Government over the recent Guatemalan decision to cancel consular relations with the UK, which will make it more difficult to conduct the dialogue and negotiations the UK is willing to resume. He added that there was no reason to believe that Guatemala will invade Belize but noted that in any case the British forces will stay in Belize to protect the Belizean people. He made it clear, however, that the British forces will leave Belize the minute the Belizean independent government asks them to leave.

Announcing that Switzerland will look after British affairs in Guatemala, Cervantes Tickell said that it was easier to sever relations than to reestablish them.

CSO: 3010/1808

COUNTRY SECTION

MEXICO

NEW COLOMBIAN ENVOY ON RELATIONS WITH EL SALVADOR

FL092133 Mexico City NOTIMEX in Spanish 2041 GMT 9 Sep 81

[Text] Mexico City, 9 Sep (NOTIMEX)--The new Colombian ambassador to Mexico, Ignacio Umana de Brigard, has acknowledged that the Salvadoran conflict could affect other countries and said that his government had disagreed with the Mexican-French declaration on El Salvador because this kind of thing happens in a democratic climate. The diplomat was interviewed following the ceremony at which he presented his credentials to President Jose Lopez Portillo at the National Palace's Hall of Ambassadors.

He explained that the Colombian Government does not agree with all that the Mexican-French declaration says: "I believe it is a matter of interpretation and that the opportunity to dissent exists in a democracy."

He declined comment on any possible solution to the Salvadoran conflict since, in any event, he said, it would be his government and not him who would be in a position to propose a solution.

He said that he did not touch on the topic with President Lopez Portillo and that he told him of Colombia's desire to revitalize the first agreement signed between the two countries at the time of independence concerning the eternal friendship between the two nations.

Umana de Brigard denied knowing whether the governments which voiced disapproval of the Mexican-French declaration on El Salvador would also say anything about U.S. interventionism in the Central American nation.

Concluding, he said that there is optimism regarding the conflicts in the American area. He added that disapproval of the Mexico-France declaration does not affect the North-South dialogue.

CSO: 3010/1808

GOVERNMENT ANNOUNCES IT WILL MAINTAIN ORDER

PY062225 Paris AFP in Spanish 2236 GMT 3 Sep 81

[Excerpts] Lima, 3 Sep (AFP)--The Peruvian social situation continued to deteriorate today with a series of strikes and the announcement of others, but the government announced that it will maintain order and put the police on alert.

The 6,000 copper miners in the south have also been on strike since 17 August, the 15,000 fishermen of edible fish since last week and the 5,000 municipal workers of Lima since last Friday.

Moreover, the potable water workers of greater Lima have stopped working for the past 4 days and the postal workers complete their third day of striking tonight.

Meanwhile, the 35,000 workers attached to the Health Ministry throughout the country have announced a 24-hour preventative strike for tomorrow, Friday, as have those of the Agriculture Ministry in Lima.

The 24,000 social security workers have said they would start an indefinite strike on 8 September, and the 40,000 mining-metallurgical workers reported that they would carry out a 72-hour stoppage on 10-12 September.

For his party, Prime Minister Manuel Ulloa warned those who are trying to create disorder and chaos, altering the democratic order; and he emphasized that order would be maintained no matter what happens, and no matter who is involved.

Moreover, the interior minister said that the three arms of the police have practically been alerted to suppress the criminals who attack public and private property.

Indicating that these attacks go against democratic order and social peace, he said that starting from today leaves, vacations and rest hours have been suspended for the police.

The copper miners of the Southern Peru Copper Corporation, in the south, are demanding salary increases and the annulment of various laws.

The stoppage, according to the corporation and the authorities, is causing the nation \$1 million per day in lost production and exports.

The Federation of Mining and Metallurgical Workers have said that its next 72-hour stoppage is aimed at solidarity with their southern colleagues and other minor matters.

The other current social problems and those which have been marked for the coming days originate in demands for bigger salaries and other social benefits.

The regime of President Fernando Belaunde, for its part, has said that funds are lacking to meet their claims and that the republic demands sacrifices from everyone.

Finally, it reiterated that, as has already been programmed, the fourth wage and salary raise will be passed which will be enforced starting 1 October, favoring the state workers and the non-unionized private enterprise workers, in order to compensate them for the inflationary process.

CSO: 3010/1815

ULLOA ASKS OPPOSITION TO JOIN ECONOMIC ADVISORY COMMISSION

Lima EL COMERCIO in Spanish 13 Aug 81 p A-4

[Text] The president of the Council of Ministers and minister of economy, finance and commerce, Manuel Ulloa Elias, spoke in the Senate yesterday to repeat his appeal to the different sectors to cooperate in the country's economic recovery and to ask the opposition to name representatives to be part of his ministry's advisory commission.

"I believe this would be a tangible, serious and democratic way of participating in the government's discussions and helping to resolve national problems" Ulloa said in his response to criticisms of his administration by leftist representatives and members of the PAP [Aprista Party of Peru].

In his 45-minute response (from 0350 to 0435 hours), the minister emphasized that the rate of inflation is "stationary" and that by the end of the year, it may reach 54 percent. However, it could go down to 45 percent next year. Ulloa emphasized that the government "is not doing anything behind the back of the nation or of Parliament."

He said that he had gone to Parliament spontaneously, in a "democratic and humble spirit, rather than in an arrogant manner, as I have been accused of doing, to seek help, advice and to hear constructive criticisms in order to gather experience and correct our heading if necessary," he said.

Disenchantment

Nevertheless, he said that he had to "confess a certain disenchantment" because there is still a failure to participate in the task of helping and sharing the work of governing a country in crisis.

The minister emphasized that he hoped for a serious analysis of his presentation, but "I have only received criticisms and accusations of having taken unconstitutional measures and abused legislative decrees." He indicated that a defense of the previous regime was made and that in July of 1980, the country's conditions were better.

Manipulation

He explained that in July of 1980, the administration inherited a country with a paralyzed economy and "manipulated index figures." However, he added, we are providing real figures not subject to political pressure.

Ulloa indicated that if the government were insensitive, as the opposition claims, to the people's pain and needs, "we would have applied a monetary policy and halted inflation once and for all, causing greater recession and higher unemployment. We would now have the pseudosatisfaction of saying, 'We have reduced inflation to 20 percent.'"

Opposition

In referring to the leftist opposition, he emphasized that it has chosen the alternative of inflation and economic unreality. "It has chosen a political economy that in one way or another leads us to a dictatorship," he said.

The minister emphasized that this apparent decision of the left to sponsor policies of subsidies, price freezes, import reductions, the freezing of the exchange rate and large increases in wages in order to regain purchasing power in short-range terms, would be equivalent to "destroying the productive apparatus of the national economy."

Ideas

Ulloa pointed out that he was hoping for concrete suggestions for correcting the deficit, increasing the country's income and expanding national wealth, thereby creating the conditions for solving national problems as a whole.

In this sense, he asked for more serious reflection because "I believe that there has not been sufficient response to the request for help, but our doors will always be open."

He also criticized the suggestion of dismantling the armed forces in order to bring about a revolution in Peru, which "could be used by others to establish another type of dictatorship."

The minister also addressed those claiming the existence of a confrontation and disagreement with Javier Alva Orlandini, currently president of the Senate, because of the presentation of an economic report. "That was a contribution and not a discrepancy, especially since there are two factions in the government. What we have is an authentic democracy," he said.

Ulloa explained that the government's measures are not dictated by the IMF, "as was the case in other times," but rather, that they respond to experience and a government program worked out before the elections.

He asked those who doubt the growth of the GNP to go to the MEFC [expansion unknown] to verify the accuracy of the figures given.

CERTEX

Concerning CERTEX [Export Certificates], he emphasized that the result of exports will be similar to those of last year, with the difference that "we have eliminated the cheating and swindling" that existed before.

He called CERTEX a "fundamental instrument" that will be maintained, but that will not cover any kind of fraud.

Concerning Decision 24, he said that Peru proposes a revision in keeping with its interests.

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CSO: 3010/1741

ULLOA OUTLINES MEASURES TO ACHIEVE FINANCIAL STABILITY

Lima EL COMERCIO in Spanish 13 Aug 81 p A-4

[Text] A gradual reduction in the public sector deficit, selective adjustments in government administration and a periodic revision of passive and active interest rates are, among others, the measures being considered by the constitutional government "in order to achieve relative financial stability" in the country.

The measures were detailed last night by Manuel Ulloa Elias, president of the Council of Ministers, who went before the Chamber of Deputies to speak about the Executive Branch's compliance with Law 23230 and the achievements and difficulties of the regime headed by Fernando Belaunde.

In his report, lasting an hour and 20 minutes and following that given to the Senate two nights ago, Ulloa Elias summed up the measures as follows:

1 -- Periodic price adjustments with respect to the goods and services of public enterprises, demanding at the same time standards of efficiency and quality which can only be obtained with skilled and well-paid administration and management. This can be done through the measures set forth as a result of the powers contained in Law 23230.

2 -- Complying with the mandate of the budget and our own government program in the direction of gradually eliminating indiscriminate subsidies to food products and fuel. The elimination will be compensated for by specific subsidies aimed at the needier population groups by reducing, for example, increases in the price of domestic kerosene and, in the case of food, through food stamps, the Job Promotion Fund, the school lunch program and public cafeterias with subsidized prices.

3 -- Gradual reduction in the public sector deficit through the tax reform already provided for by legislative decrees and by an appreciable improvement in tax administration through mechanisms set forth through that very legislation. We do not exclude the possibility of taking special measures to obtain more income or achieve greater savings helping to solve this budget crisis. We intend to present a bill to Congress in order to reduce tax exemptions existing in those activities where they are not justified, simplify their administration and increase taxes when the national interest justifies our doing so.

Selective Adjustments

4 -- Strict control of public spending, although we recognize the need to increase it substantially in the areas of the social sector, mainly for health, education, housing and certain activities related to agricultural development and maintenance or expansion of the road system.

5 -- We shall maintain selective adjustments in public administration based on the same criteria used since January, in order to protect the purchasing power of wages facing the inflationary process.

6 -- Gradual reduction in and restructuring of public administration personnel with strict compliance with existing legal provisions or those set forth in the future.

7 -- Maintenance of the policy of strict control of the intervention of the Central Reserve Bank in order to finance the public and private sectors, trying to ensure that the needs of both shift more and more to the financial system, which will in turn force the effective mobilization and promotion of domestic saving.

8 -- Periodic revision of passive and active interest rates in order to promote saving and channel it toward productive activities, reducing or increasing them depending on the inflationary process.

9 -- Continuing an aggressive policy aimed at improving prices for farm products in order to stimulate production, while introducing when necessary protective prices and trying to gradually free domestic trade in farm production in order to eliminate costly government intervention and the speculation that results from the chronic scarcities of certain products, whether because of the inadequacy of the transportation system or the lack of storage.

Tariff Policy

10 -- Maintaining the current tariff policy, modifying it only in order to protect situations of verified scarcities in the industrial sphere or to protect new industrial activities requiring a process of maturation in order to be competitive nationally and internationally.

11 -- We propose to adhere firmly to priorities established in our development strategy, mainly referring to agriculture, the agroindustry, oil, energy, mining, fishing and other industrial activities.

Inflationary Situation

The president of the Council of Ministers said that some of the measures indicated have already been taken by the government, while others will soon be taken in order to achieve the desired results.

He stressed the fact that actions aimed at controlling the inflationary process are yielding good results, despite the adverse circumstances that exist, and said

that the inflation rate for 1981 will reach 54 percent, "disregarding the effect of the payment of prices contained in 1980 by the previous government and using as an average figures that represent the real situation under the control of the constitutional administration."

In order to realize the scope of the effort made, Ulloa Elias said that one should consider the fact that in 1978, the rate of inflation was 74 percent; in 1979, 67 percent; and in 1980, it was on the order of 80 percent. "This percentage includes the freezing of prices and the manipulation of figures so as to hide the truth from us," he added.

He then went on to comment: "We have managed to achieve our goal announced in August 1980 of beginning to gradually reduce the inflation from which the country is suffering." He stressed the fact that by following the policy set forth, the goals announced by the constitutional government will be achieved.

Ulloa was emphatic in stating that the figures given "are not deceiving and hide nothing in order to win ephemeral popularity." He added that the figures are available to all representatives who wish to verify them.

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CSO: 3010/1741

ECONOMY MINISTER GIVEN VOTE OF CONFIDENCE

Lima EL COMERCIO in Spanish 14 Aug 81 p A-1

[Text] Following a lengthy session lasting over 17 hours, the Chamber of Deputies gave a vote of confidence to Manuel Ulloa Elias, president of the Council of Ministers, after hearing his economic report. The report set off an exhausting and fiery debate over 12 hours long and forced members of the Chamber to remain on their benches through the night, despite the intense winter cold.

The Chamber also voted down a motion of censure proposed by the PAP [Aprista Party of Peru] opposition and the communist left, which alleged that Ulloa's report had not convinced them. In their opinion, the policy outlined by the head of the Cabinet was not a solution to economic problems.

The session began at 1730 hours two days ago. Ulloa's report ended at 2000 hours, when the debate began that was to last until 0830 hours yesterday morning, at which time Ulloa left the chambers.

The session ended two hours later, during which time the motions of censure and confidence were debated.

In the debate on the minister's report, 18 representatives spoke out of the 41 who had asked to speak.

During the debate, the president of the Cabinet faced his opponents in an exchange generally characterized by serene, lofty language, sometimes interrupted by ironic expressions of a political nature.

Ulloa used a new method in responding to each one of his critics at the close of their speeches, a new style which, according to seasoned representatives, is a parliamentary innovation in our midst. At least, it has not been practiced for 50 years.

Ulloa used vigorous but lofty language in his replies. He sometimes smiled at the criticisms, seated on a bench facing the dais. When he left the chambers, he was applauded by deputies of the majority.

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CSO: 3010/1741

EDUCATION MINISTER ANNOUNCES 4-BILLION-SOL CREDIT

Lima EL COMERCIO in Spanish 14 Aug 81 p A-4

[Text] Trujillo--Minister of Education Jose Benavides Munoz announced at a press conference today that his sector will have credits amounting to over 4 billion sols to be used this year as part of the 5-year plan.

He stated that 1.8 billion sols were already obtained from the Federal Republic of Germany and will be distributed in the rural areas of Pasco, Huanuco and Junin.

At the same time, 220 million will go to Huancavelica, 219 million to Cajamarca, 260 million to Piura and Sullana and 155 million to the Washington School in Lima. Another 8 million will be used to upgrade the premises of Our Lady of Guadalupe School.

The minister said that 440 million sols will be invested in Trujillo: 60 million to complete the Marcial Acharan School and 380 million to build an educational complex in the La Noria Development. He added that these two projects will be put up for bids on Sunday and that work will begin within 30 or 40 days.

Benavides also said that the first steps are being taken for a Finnish credit of 1.7 billion sols, which will go to the Piura mountain range and some provinces of Cajamarca.

He said that agreements had been signed with Caritas for the installation of workshops in the Condevilla, Cantogrande, Lurin and Collique parishes in Lima.

An agreement has also been signed with the University of Trujillo for a special training course for teachers on the education of the disabled, the mentally retarded and children with hearing and language problems.

Concerning the possible teachers strike, the minister emphasized that the people should close ranks in order to defend the democratic government they elected last year. He stressed that "everyone can see how hard we are working and a strike would be illogical. It would only upset the democratic order of the country."

He added that political leaders in the field of education will go into the streets and that work must be done in the classrooms to help our young people, the future of our country.

The minister signed three agreements with the municipality for the concession of land for education facilities to be built by the ministry. One is in the Torres Araujo development, another where the former auditorium of the San Juan School was located and the third in the area where the Santa Ana Elementary School is operating, so that each may have its own facilities.

Concerning Marxist infiltration in school textbooks, the minister said that the license to circulate some of the books has expired and that in the future, his office will be much more careful before renewing such authorizations.

The minister of education arrived on his working visit at 1735 hours yesterday and returned to the capital today at 1700 hours.

11,464
CSO: 3010/1741

FOREIGN AFFAIRS ADVISORY COMMISSION TAKES OFFICE

Lima EL COMERCIO in Spanish 14 Aug 81 p A-4

[Text] In a special ceremony presided over yesterday by Minister of Foreign Relations Javier Arias Stella, the advisory commission was installed yesterday. Among other activities, it will give advice to the ministry "in areas related to the country's foreign policy."

The advisory body, headed by senator-for-life and former President Luis Bustamante y Rivero, is made up of 21 persons, including diplomats, intellectuals and senators. The installation ceremony took place in the Torre Tagle Ministers of Foreign Affairs Room.

In his brief address, Arias Stella expressed his thanks to the members of the commission for their positive response "to the appeal which we made to you to join this important advisory body, which is called on to perform an important patriotic function in the government of President Belaunde."

He recalled that in August 1872, during the administration of the then President Manuel Pardo and under Minister of Foreign Relations Jose de la Riva Aguero, the first advisory commission was installed, presided over by former Minister of Foreign Affairs Jose Antonio Barrenechea.

"Today, 109 years later, we are complying with Article 223 of the Political Constitution and with laws and regulations that have continued that constitutional mandate, by installing a similar commission," Arias Stella said.

He then went on to say that the functions of the commission include: issuing an opinion on all matters when requested to do so by the minister; informing the ministry on missions that may have been entrusted to one or several members.

At the same time, the commission may draft bills, legislative decrees and other provisions required. It may propose legislative measures or regulatory provisions it deems suitable to the foreign minister.

Arias Stella said that "all the work, opinions, recommendations and projects requested of the commission and those it presents when acting on its own initiative will be of an advisory and confidential nature."

Patriotism and Dedication

The head of the advisory commission, Jose Luis Bustamante y Rivero, then commented that the measure taken by the minister of foreign relations in calling on a group of men to give advice is a good one. He emphasized "the patriotism and dedication" of those making up the group.

He also explained that in times like these, the commission will give ideas or elements helping the Foreign Ministry "to guide the steps taken in the international field" because "that is both delicate and difficult."

Members

The Foreign Relations Advisory Commission, created by Supreme Decree No 005 on 9 March, is made up of the first vice president of the republic and Peru's ambassador to the United States, Fernando Schwab Lopez Aldana; senators Oscar Trelles, Sandro Mariategui, Jose Carlos Martin (AP [Popular Action]), Luis Alberto Sanchez (PAP [Aprista Party of Peru]) and Angel Castro Lavarello (UNIR [expansion unknown]).

Other members are: Aurelio Miro Quesada, David Aguilar Cornejo, Luis Alvarado Garrido, Arturo Garcia y Garcia, Luis Edgardo Llosa, Jorge Vasquez Salas, Emilio Romero, Hector Lopez Martinez, Bolivar Ulloa Pasquette, Delia Revoredo de De Bakey, Andres Aramburu Menchaca, Felix Denegri Luna, Javier Pulgar Vidal and Nicolas de Pierola y Balta.

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CSO: 3010/1741

BRIEFS

TERRORISM IN CENTRAL REGION--Huancayo, 25 Aug--Terrorists returned to the charge for the fourth time in less than three weeks in the central zone. This time, in the vicinity of Morococha a charge of dynamite exploded in the Morococha Production Unit of Centromin Peru [Central Peruvian Mining Enterprise]. The explosives were detonated in the Social Services building, alongside the seat of the Office of Industrial Relations, completely destroying the windows, mirrors, doors, and furnishings. It also cracked the structure of the building. The deafening sound and the shaking of the earth caused by the violent explosion created panic among the mining workers. This is the fourth time in less than 20 days that the central sierras have been struck, which has led the police to presume that it is the same persons or the same group which caused the damage, especially when they blew up an electricity pole belonging to the Mantaro Hydroelectric Center, leaving the city of Huancayo without electricity for more than 15 hours. On 24 August there was a strong explosion in the office of the Subprefecture of Huanta, destroying doors and windows but without causing any injuries. The explosion occurred at 1000 hours yesterday. The subprefect and the personnel normally working in the office were not present when the explosion occurred. A gang of terrorists yesterday morning dynamited the regional office of the Ministry of Agriculture in Iyacucho, Cangallo Province. In their flight from the scene the terrorists attempted to kill two persons who got in their way. Police investigations by the local intelligence office reportedly brought out the fact that those responsible for this new act of terrorism were also implicated in the assassination of Civil Guard Sergeant Ramos Flores, which took place a week ago in La Quinua district. The dynamite attack in Cangallo destroyed the door and the glass in the windows of the office. The strong explosion, which awoke the townspeople, fortunately caused no personal injuries. [Text] Lima EL COMERCIO in Spanish 26 Aug 81 p A-19/ 5170

CUZCO POST OFFICE BOMBED--Cuzco, 23 Aug--A powerful explosion of a dynamite charge thrown from the street into the Post and Telecommunications building destroyed a large part of the glass windows and damaged installations and offices. The attack took place at 1435 hours when the second half of the Peru-Uruguay soccer game was about to begin. According to regional Postal Service chief Jorge Salazar, the doorman, Juan Pablo Calluco, heard a noise and noticed a woman running through the street. On seeing smoke coming out of the building, he ran into the street to look for help but found no one. As he hurried back into the building, the explosion occurred, throwing him to the ground and causing him subcutaneous hemorrhages. On the first floor mezzanine another guard, Angel Allasi, suffered severe shock. The three-story building with its large windows was strongly shaken by the explosion. Doors and glass windows were destroyed, as were fluorescent lamps and stamp-vending

booths. The postal franking machine was also damaged. The terrorists took advantage of the Peru-Uruguay soccer match and the fact that the Fourth Regional Office of the Civil Guard, which used to be 50 meters from the building attacked, was moved to another location this morning. A street vendor also said that he had seen a woman running after the explosion. It is reported that the Post Office will be closed for two or three days while repairs are made. [Text] [Lima EL COMERCIO in Spanish 24 Aug 81 p A-18] 5170

LABOR MINISTRY BUILDING BOMBED--An unruly mob threw "molotov" cocktails at the Labor Ministry, causing slight material damage. This happened at 2015 last night, according to members of the Republican Guard detachment. The rioters went so far as to throw seven homemade bombs at Office No 104 of the conciliation division, which fronts on Pablo Bermudez Boulevard. The policemen immediately intervened in order to deactivate the incendiary devices, achieving their objective in a few minutes in order to prevent the offices from catching fire. After committing these acts of vandalism, the rioters fled in different directions. The bombs destroyed some window panes, sofas and a filing cabinet. [Text] [PY051828 Lima EL COMERCIO in Spanish 29 Aug 81 p A3]

TERRORISM IN INTERIOR--Huaral, La Orolla and Huancayo were shaken yesterday by five more terrorist attacks. Terrorism has escalated in the interior during the past few days. Sticks of dynamite exploded in the agencies of the Credit Bank and Bank of the Nation in Huaral, causing damage to the windows, furniture and documents. The damage has been estimated at 3 million soles. A member of the Civil Guard who was on guard duty, had the chance to fire at a yellow vehicle from which the explosive charge was thrown at the bank, but the terrorists answered him with a burst from a submachinegun. The guard member was not wounded. A CENTROMIN-Peru [Central Peruvian Mining Enterprise] electricity pylon was knocked out by two charges of dynamite. This attack took place in (Jatco), on the highway that leads to Cerro de Pasco. In the latter city, a bomb that had been placed against the door of the labor court did not explode. The last attack took place in Huancayo, where the premises of the justice of the peace were badly damaged. [Text] [PY021826 Lima Radio Union in Spanish 1130 GMT 2 Sep 81]

PHYSICIANS STRIKE ENDS--Lima, 6 Sep (AFP)--The strike by 13,000 Peruvian physicians, which lasted for 30 days, was lifted early this morning by the agreement of a general meeting, which ordered the doctors to immediately return to their work sites. The stoppage, which practically left all the hospitals in the country without medical attention, both in the health sector and in the social security system, was solved through an agreement signed by a mediation commission presided over by the labor minister, Alfonso Grados Bertorini, and the Peruvian Medical Federation. A mixed commission was in charge of putting into effect the agreed points and resolving others raised by the doctors, such as the free treatment of poor people and the extension of the social security system to the family members of workers. The agreement to resolve the stoppage--which in recent days had been radicalized with the hunger strike of at least 38 doctors throughout the country,

of which 9 in Lima were in critical health--also won substantial increases in the doctors' salaries, although the amount is not known. [Text] [PY062208 Paris AFP in Spanish 1329 GMT 6 Sep 81]

ANDEAN PACT OFFICIAL TO EUROPE--Lima, 12 Sep (AFP)--Ambassador Jose de la Puente, coordinator of the Cartagena Agreement Board, left today for Madrid where he will discuss the present stage of development of the Andean group with members of the EEC Council. De la Puente, who is one of the coordinators of the [words indistinct], --technical body of the Andean Pact--also noted that he will hold meetings with members of the Spanish Government with whom he will discuss issues pertaining to Andean-Spanish cooperation. During a 15-day tour that will take him to several countries the high-ranking Andean Pact official will also stay in Paris, France where he will meet with French officials with whom he will discuss ways to strengthen ties between European countries and those within the Andean Pact. [Excerpt] [PY140330 Paris AFP in Spanish 2012 GMT 12 Sep 81]

MINERS, METALWORKERS STRIKE--Lima, 10 Sep (AFP)--The Federation of Peruvian Miners and Metalworkers began a 72-hour strike today, with the exclusion of important unions of the state sector. Among those excluded are: Centromin Peru (former Cerro de Pasco), Hierro Peru (former Marcona), Sider Peru (steel industry), and Cerro Verde (copper). The strike--declared unacceptable by labor officials-- seeks to support the southern copper workers who have been on strike for 3 weeks. [Excerpt] [PY120303 Paris AFP in Spanish 0137 GMT 11 Sep 81]

MEXICAN-FRENCH DECLARATION HAILED--Lima, 4 Sep (AFP)--Peruvian opposition leaders have congratulated France and Mexico for having recognized the Salvadoran rebel movements. The Peruvian Government 3 days ago criticized the decision of these two nations on the grounds that it violates the principle of nonintervention in domestic affairs of other nations. Meanwhile, the metropolitan dailies, with the exception of a leftist one, have published editorials supporting President Fernando Belaunde Terry's attitude and condemning the Mexican-French declaration. APRA [American Revolutionary Popular Alliance] deputy and leader Carlos Roca described the French-Mexican decision to recognize the Farabundi Marti Front and the Democratic Revolutionary Front as an act of courage. Alfonso Barrantes, leader of the leftist unity which is made up of several Marxist parties, expressed satisfaction over the fact that France and Mexico have reaffirmed their independent foreign policies. Other leaders of the above-mentioned leftist unity like Jorge Del Prado (communist), Javier Diez Canseco (Marxist), and Antonio Meza (socialist), hailed the timeliness of the Mexican-French action. [Text] [PY091603 Paris AFP in Spanish 1911 GMT 4 Sep 81]

GOVERNMENT TO FIGHT TERRORISM--A wave of violence shook this city on Tuesday when dynamite attacks were perpetrated against eight factories, a filling station and a monument. Meanwhile, congress is about to earmark higher economic resources for the police. These attacks were perpetrated just after the three police branches-- the Civil Guard, the Republican Guard and the Investigations Police--decided to join efforts to eliminate the scourge of terrorism. In order to implement this measure, which foresees surprise antiterrorist actions, the government decided to provide the police with the necessary material for that struggle. For its part, congress is about to provide the funds needed to fulfill that goal. [Excerpts] [PY092333 Paris AFP in Spanish 1508 GMT 9 Sep 81]

JUNGLE COLONIZATION PROJECT--After 2 years of planning, the agricultural services cooperative Satipo Ltd., No 183, will soon begin its project of colonizing 500,000 hectares of land in the central jungle of the country, sending from 200 to 300 families to the jungles of Alto Urubamba. The project is the largest colonization effort in Peru. The announcement was made at a press conference yesterday by the chairman of the colonization committee, Juan Cristobal Geronimo, who said that after 2 years, over 500,000 families will benefit from the project. Cristobal Geronimo expressed his thanks to Minister of Agriculture Nils Ericsson Correa, who offered his help for the execution of the project following the evaluation and classification of the productive potential of the land. Cristobal Geronimo said that the minister has promised to immediately send a committee of experts from the 12th agricultural region of Huancayo to join with settlers in determining the best way to get them settled. During the process of colonization, advanced techniques in farming, livestock raising and forestry will be applied, scrupulously respecting the rights acquired by native communities. The colonization project has been called Earthly Paradise in memory of Gen Rafael Hoyos Rubio, who said on a visit to the area: "This is truly a paradise on earth." [Text] [Lima EL COMERCIO in Spanish 21 Aug 81 p A-7] 11,464

CSO: 3010/1741

COUNTRY SECTION

TRINIDAD AND TOBAGO

UNIONIST CHARGES U.S. 'INTERFERENCE' IN TRINIDAD

FL041954 Bridgetown ADVOCATE-NEWS in English 28 Aug 81 p 1

[Text] A Trinidad and Tobago trade unionist has charged here that there was massive interference in the internal affairs of his country by the U.S. Government.

Mr Michael Als, president of the Bank and General Workers Union and also general secretary of the Council for Progressive Trade Unions in the twin island republic, made the allegation at a news conference here yesterday.

He explained that the interference was manifested in what he said was the support being given to the Organization for National Reconstruction (ONR) which is one of the parties expected to contest the upcoming general elections in that country.

Mr Als pointed out that an American public relations firm which had successfully assisted candidates in the U.S. and Jamaica presidential campaign and general elections respectively had been giving professional advice to the ONR.

He said that the ONR was currently spending enormous sums of money in newspapers advertisements, adding that this money was being raised externally.

Mr Als who is also chairman of the political organization calling itself the People's Popular Movement (PPM), said the U.S. assistance to the ONR had prompted the Trinidad and Tobago Government to complain to the United States about the matter.

He said the threat from what he called the rightwing forces had also prompted a number of organizations in the country to become united against the ONR. These include the National Joint Action Committee (NJAC), the official opposition, the United Labor Front (ULF), the PPM and other people's organizations.

Mr Als said it was in the interest of Trinidadians to block the ONR from coming close to the corridors of political power.

Mr Als added that the ONR was getting the bulk of its support from certain sections of the business community, upper middle class and sections of the police, army and coast guard officials.

CSO: 3025/1029

BRIEFS

NEW UNDER SECRETARIES--The new president of the nation has appointed the following under secretaries: Enrique C. Ferri Stabile, interior; Filiberto Ginzo Gil, foreign affairs; Juan Antonio Chiarino, economy and finance; Hector Furgone Schiavone, national defense; Luis Antonio Menafra Rodriguez, education and culture; Werther Nogueira Irigoyen, industry and energy; Ramon Nelson Malvasio, labor and social welfare; Armando Lopez Scavino, public health; Juan Carlos Jorge Hiriart, agriculture and fishing; Juan Bautista Schoeder, justice; and Jose Mario Puppo Rivero, planning coordination and information, [Montevideo LA MANANA in Spanish 3 Sep 81 p 2 PY]

RAPELA VISIT TO MEXICO, PUERTO RICO--Gen Julio Rapela [commander of 1st Uruguayan Army Division] is about to go abroad for visits to Mexico and Puerto Rico. The following is a report from Carrasco airport: [Begin relay] Gen Julio Cesar Rapela will leave this afternoon from Air Force Base No 1 here in Carrasco; he will be accompanied by his wife and Lt Col (Horacio Raconi). He will participate in the national day celebrations on 16 September as representative of the Uruguayan Armed Forces. On 24 September he will travel to Puerto Rico on a special invitation by the National Guard of that country which cooperates with the Uruguayan Armed Forces on various levels. General Rapela's return is planned for 26 September in the afternoon. [end relay] [Excerpt] [PY121816 Montevideo Radio El Espectador Network in Spanish 1600 GMT 12 Sep 81]

EXCHANGE POLICY RATIFIED--The central bank has ratified the maintenance of the current exchange policy as repeatedly reported by government officials. The central bank has established the new values for February at 1.175 percent. The U.S. dollar will cost 11,700 new pesos as of 1 February, and will be sold at the price of 11,737 pesos. [Montevideo Radio El Espectador Network in Spanish 1600 GMT 5 Sep 81 PY]

DELEGATIONS TO INTERNATIONAL EVENTS--The national delegation to the annual meetings of the IMF and IBRD [International Bank for Reconstruction and Development] has been appointed. It will be headed by Valentin Arismendi. The Uruguayan delegation to the UN General Assembly has also been appointed, and it will be headed by Foreign Minister Estanislao Valdes Otero. [PY040107 Montevideo Radio El Espectador Network in Spanish 1600 GMT 2 Sep 81]

BEEF SALE TO GHANA--Uruguay has sold 25,000 tons of beef to Ghana, thus opening a new market. According to the agreement, closed between the National Beef Institute and two visiting Ghanaian ministers, Uruguay will make a first 6,000-ton delivery in November, a second delivery in May 1982 and a third in September 1983. [Montevideo Radio El Espectador Network in Spanish 1600 GMT 11 Sep 81 PY]

CSO: 3010/1821

MEP LEADER CLAIMS PACT BETWEEN U.S., VENEZUELAN GOVERNMENT

PA050406 Caracas Radio Rumbos Network in Spanish 1530 GMT 4 Sep 81

[Report by Ernesto Vega]

[Text] At a press conference a few minutes ago Jesus Angel Paz Galarraga, secretary general of the People's Electoral Movement [MEP], said that it is the opinion of the MEP that there is a pact at the international level between the U.S. and Venezuelan governments.

[Begin Paz recording] The Social Christian [COPEI] government is betraying the feelings of the Venezuelan people when it supports the Salvadoran junta, headed by the Social Christian Napoleon Duarte, a puppet of that country's military and oligarchy. These groups would already have been wiped out by the Salvadoran people's gun were it not for the shameless military intervention by the U.S. Government--even criticized by the U.S. people, who have felt the [word indistinct] of the Salvadoran junta with the murder of U.S. nuns in that country--and the military intervention by the Venezuelan Government, which [word indistinct] and supports it and adopts absurd and disproportionate reactions in criticizing the attitudes of Mexico and France, including the recall of the Venezuelan ambassadors and the eventual cancellation of the minister of interior's trip to Paris.

These friendly nations are trying, in a humanitarian gesture, to call the attention to the international community to a search for a solution that will end the prolonged slaughter of the Salvadoran people, while the visit of the Salvadoran foreign minister is intended to gather even more support from the Venezuelan Government and to involve it with other governments, to justify the U.S. intervention in El Salvador and the Caribbean.

The aforementioned circumstances reveal something more: that there is a common stand between the U.S. and Venezuelan governments. From the MEP's point of view, there is a pact or understanding, express or implied, by which Venezuela supports the U.S. militaristic policy in this country; and Washington, in turn, commits itself to favoring the expansion of Social Christian governments in the area.

We conclude by stating that Venezuela must separate itself from the policy of force and hegemony that the Reagan government has outlined for the world and applies in the Caribbean. It should return to an international policy that defends the rights of the people to their liberation and to safety from intervention by foreign powers, and to reliance on international cooperation for its development and welfare. [end recording]

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END

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25 Sept. 1981